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# Life for Ulster terror gang

A fanatical Protestant gang, in-cluding eight men known as the "Sbankill Butchers," received a total of 42 life sentences for a 17-month sectarian terror cam-paign in Northern Ireland.

The "Sbankill Butchers" were among 11 men sentenced at Belfast City Commission on 112 charges including 19 mnrders, with attempted murders, kidnappings and bombings.

Some of their Catholic victims were tortured, others were shot, and some had their throats slashed with razor abarp butchers knives.

Mr. Justice O'Donnell recommended that two of the meo, William Mnore and William Bates, should never the set free unless they had a t inal ill-

#### Scots Asser® My needs 1.5m AN ces

Just under 1.ām the ile in Scotland will have ned fote in favour of devolution nvercome the 40 per idluminarile inserted into the lit ladion by anti-devolutionists, the ling to Government figur yesterday. esterday. Iy to likely likely

to be harder to me ot, h condition, \$15,000 will what \$1 vote Yes for the Assie depleto be introduced. Back and either 11 Lottery appor the

Innerial Tobacco a fli its appeal against | SS-20 noth's finder's ruling the immediator of the close.

SS-20 noth's finder's ruling the immediator of the close.

FEDERAL Reserve Board has blocked a move by a group of Arab investors. In group of Arab inve motions and free gift offers. • U.S. BASED companies in

craft a commercial reality was treaty awaiting ratification. High Court. Mr. Justice Whitford . EEC countries have failed to said that Hovercraft Development and the National Research Development Council might bave difficulty recovering their costs even with the extended patent.

#### No returns

questioned by the Consumers' Association at London mainline stations had claimed season ticket refunds arising from the rail strikes. Forty per cent of those questioned did not realise they were entitled to, Railmen's bours claim Page 10

#### Licence plan fails

Britain blocked EEC plans to introduce a uniform driving hence throughout the Common Market on the grounds that it would lower UK safety standards for heavy lorries.

#### Shroud ban

Roman Catbolic Church authorities in Turin have forbidden radioactive carbon tests on the Turin Shroud, helieved to be the nurial sheet of Christ, until the technique has been per-

#### Briefly . . .

Cardinal Hume, Archbisbop of Westminsler, is to ask the Pope for his views on women priests. High Court judge banned three youlhs from lrespassing at Pimlico Comprchensive school, London, where security guards

Telephone users in the UK made 741m trunk calls in the last quarter of 1978-70m more than in the sama quarter in

& Music ...... 138 + 7

BUSINESS

# **Equities** steady; sharp fall in cocoa

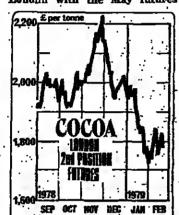
• GILTS confined to gain and longs advanced by up to 1. The FT Government Securities Index rose 0.36 to

• EQUITIES were encouraged by gilts, but lost early gains and the FT 30-share index was unchanged at 460.3.

• STERLING rose 15 points to \$2.0045 and its trade-weighted index was 63.7 (63.6). The deliars depreciation fell to 8.2 (8.4) per cent in quiet trading.

@ GOLD fell \$1 to \$2471 in.

• COCOA prices fell sharply in London with the May futures



£55 lower on the day at £1,778.5

Hovercraft patent volved: in UK off-shore oil operations could be liable to The patent on the "segmented British taxes for the first time, patent on the "segmented according to a double-taxation GOODYEAR. TOLD its 700 Wolverbampton, although some continental plants, but it was re-a commercial reality was treaty awaiting ratification employees at Drumchapel, of these could be saved through jected by the workforce last

reach agreement on demands by developing countries for a bigger share of international fraffic, although they settled their most deeply-rooted

• JAPANESE Finance Ministry None of the 188 rail commuters bas allowed Sears, Roebuck and Co. of the U.S. to issue an unsecured debenture, making it the first corporate yen bond.

> O AN AVERAGE family would have needed a 14.5 per ceot rise in income last year to maintain its standard of living, says a survey. Page 7

• ANNUAL CONFERENCE of the Amalgamated Union of Engineering Workers has been cancelled following mounting jobs from its main plant at into line with other British and conflict within the four sections of the union.

 WORKERS at Govan Ship-builders. Glasgow, have agreed to subcontracting part of the yard's Polish ship order to rival yards to ensure that delivery dates are met. Back Page

#### COMPANIES

· VANTONA GROUP, the textiles concern, increased pre-tax profits from £6.73m to £7.31m for the year to December 1, on a turnover of £82.4m (£78.8m). Page 24 and

# Jobless figures rise sharply again as vacancies fall

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

Unemployment increased sharply again in the month to mid-February. This was partly because of the severe weather, but a drop in underlying level of labour market activity is suggested by the first significant fall in notified vacancies since last summer.

The number of adults ont of registered as unemployed, down work rose by 23,500 to 1.36m, from 187,000 in December to seasonally adjosted, Departation about 173,000 onw. seasonally adjosted, Department of Employment figures announced yesterday show. This

is equivalent to 5.7 per cent of the work force.
This is the biggest monthly increase since September 1977. It means that unemployment has gone up by 42.000 in the last two months, in contrast with the decline of 102,000 in 1978. The Whitehall view is that in

spite of the recent rise it is too early to say wbether last year's trend will be reversed. Officials point to a number of

special factors so far this year, notably the weather. This has affected building in particular, and has been reflected in an above-average rise in unemployment in hard-hit regions such as the North, Scotland and There may have been some soillover effects from the lorry

drivers' strike, though it was officially over before the unemploy-ment count on February 8. The Government's special job

Glasgow, yesterday that it was

to accept a rescue package and

three months.

losses last year.

would close the factory within

The move reflects the fragile

condition of the UK tyre in-

dustry, which has lost market

share recently, and the poor pro-

doctivity of Goodyear's Scottish plant, which accounted for £3m

nf the company's £18m British

Productivity at Drumchapel

has remained at less than half

the average of European plants

using identical machinery; absenteeism is high, and has increased recently; and there is nearly twice as much waste as

not giving them a second chance from Glasgow.

This is largely because of the rundown of the Temporary Em-ployment Subsidy. Officials bope that this is only a short-term drop before other schemes in-cluding those announced yesterday, atart to have a greater

All these factors may argue for cantion in judging whether the trend has changed, though other evidence points to easing of pressure in the labour

In particular, vacancles noti-fied to the Department of Employment fell by 5,000 to 230,900, seasonally adjusted, in the month to mid-February, though this was still nearly 25 per cent higher than a year ago.

An indication of underlying activity is provided by flows on to and off the unemployment and vacancies registers each The flow on to the vacancies

last October, while the number to mid-February and at 39,400 leaving the unemployment Continued on Back Page measures bave also bad a de- last October, while the number clining impact on the number leaving the unemployment

work being transferred south

Danlop also announced 3,100 redundancies last month, in-

cluding the closure of its Speke

plant, Firestone is discussing

big cuts in its European plants.

The rise in car imports bas

tyres for new British cars, cheap Craigavon, Northern Ireland.

meant a drop in demand for

foreign tyres have taken some

of the market for replacements, and the introduction of the

radial in place of the crossply

bas meant that tyres now have a

made 100 redundant a year ago.

and has since given regular

on top of this, Goodyear, like introduce a Friday night-shift— Mr. James Milne, general other British tyre manufac abandoned after an 11-week secretary of the Scottish TUC, turers, has suffered from a strike four years ago—to try to said be would try to get the declining market. The company make the plant viable. This management and unions to is planning to prune up to 1,000 would bave brought the factory meet.

The company wanted to re- Sunday.

much longer life.

At Drumehapel,

reports to the workforce.

Goodyear stands firm

on Glasgow closuré

Vacancies 8 1976 1977 1978 register has fallen sharply in the past three months.

U.K. UNEMPLOYMENT

Even after allowing for special factors, it seems likely that the slackening in growth of output eince last summer has, after the usual time lags, started to affect unemployment.

Gross domestic product showed little change over the second half of last year, as announced on Monday, and the official index of cyclical indicators, giving advance warnings of turning points in the economy, has been falling since late 1977.
A continued bright feature is the fall in the number of school-

The flow nn to the vacancies leavers out of work. The total list has been declining since dropped by 8,000 in the month

week against the advice of shop

and managing director of Good-year (Great Britalo), said that

the attitude of the workforce at

the company was receiving from

its plants at Wolverhampton and

Goodyear could no longer go

on subsidising Drumchapel at

the expense of more efficient

plants. There was no question of reconsidering the closure.

the announcement. There would

be a meeting of the workers or

Goodyear at the plant, said be was very a year ago. disappointed, but had expected

Mr. Edward Duffy, convenor

Mr. Westi Hansen, chalrman

stewards and union officials.

Regional map Page 8 Parliament Page 11 Editorial comment Page 18

# **Booth** plans new jobs subsidy

By Christian Tyler, Labour Editor

THE GOVERNMENT intends to add to its list of job protection and creation schemes a new wage-related employment sub-

wage-related employment sub-sidy for private companies.

Mr. Albert Booth, Secretary for Employment, told the Com-mons yesterday that the subsidy could be made available "in some restructuring situations" . . . to preserve jobs which would otherwise disappear.

Details of the scheme have still to he worked out with the TUC and Confederation of Britisb\Industry and will have to be reported to the EEC for clearance under competition

rules.

The proposal appears to be a more selective version of the Temporary Employment Subsidy, which came under fire from the European Commission as being unfair support to loneterm loss-making companies. It would probably alm to encourage companies to reorganise retaining labour, rather than close down unprofitable parts of their business.

Mr. Booth also announced a temporary short-time working scheme for both public and private sectors to replace the Temporary Employment Sub-sidy which eods after March 31. This is expected to resemble the measures introduced, nnder FEC pressure, for phasing out the subsidy in the textiles, clothing and footwear indus-

#### Retirement

Subject to discussions with the CBI and TVC, a subsidy of 75 per cent of a workers' normal pay for each day lost would he given by the Department of Employment to avert redund-ancy, and would be paid for 12

This scheme is intended to proposal statutory short-time cised at bome for his policies working scheme is approved, or, as his opponents allege, his paid for jointly by Government lack of them in both those and employer through a special

Some existing job creation schemes are being expanded. The youth opportunities programme, the special temporary employment programme and the community industry scheme, all run by the Manpower Services Commission, will be enlarged would not shirk. The U.S., he to take a total of 300,000 went nn, provided "the bedrock unemployed people, the great of global security and economic the Scottish factory contrasted sharply with the co-operation majority of them under 19.

The early retirement or "job release" scheme is to run for another year. Mr. Booth said the measures

would be met from funds already allocated to the Depart-ment of Employment and the Manpower Services Commission. | world."

## China to pull out

BY OUR FOREIGN STAFF

CHINA is preparing to with-draw its troops from Victnam after four days of bloody confilet in which Peking has sent 100,000 troops backed by armonr. artillery and air strikes across the border. After a day of confusion— in which one inspired leak by

a senior Chinese official in Peking to the effect that China's troops were being pulled back was later denied -independent observers in Bangkok confirmed that a withdrawal is being planned.

According to the latest intelligence reports from the battlefront, orders from the been sent out to all field units to prepare for a withdrawal. although fighting was still

Late last night in the first nfficial Chinese report for two days on the fighting the New China News Agency said in Peking that China's troops were "coofinging to hit back" at Vletnamese forces.

Victoamese diplomats in Peking had earlier said that their troops had launebed a major counter-offensive in the horder conflict with sustained air attacks to back the ground IN ATLANTA, President

Carter condemned both Viet-nam's invasion of Cambodia and the Chinese incursion into Vietnam. But he said the U.S. would not intervene in conflicts "between Asian Communist nations."

Mctal prices Page 29

# Carter SALT warning

BY JUREK MARTIN, U.S. EDITOR, IN WASHINGTON

PRESIDENT CARTER gave a cluded and ratified by Congress. in an important foreign policy speecb in Atlanta, Georgia, the

President also emphasised U.S. willingness to support the new Government in Iran and to stand by its friends elsewhere in the world. But be was at pains to point out the limitation of American Influence and U.S. determination to use other than military means to achieve its peaceful end. The speech bad originally been designed to launch the

Administration's move for rati-fication of a SALT agreement, which is believed to be in considerable trouble in the Senate. But it was widened in scope at the last minute to take account of recent developments in Iran and south-east Asia. Mr. fill a gap until the Government's | Carter has been sharply criti-

World peace, Mr. Carter sald In drawing together the dis-parate strands of recent events. remaios a fragile thing, vulnerable to assaults from all sides. Attainment of it was "a challenge to our determination and leadership" which the U.S. advance" in a changing world.

Recent events, he maintained, underlined the need for a strong defence posture and a strategic arms agreement, which he described as "a fundamental element of strategic and political stability io a turbulent

Salt Two, he said, would sigwarning yesterday that relations nificantly reduce the number of with the Soviet Union might Soviet missiles and bombers, deteriorate, endangering world enable the U.S. to increase its peace, unless a strategic arms missile and homher capabilities, limitation agreement was con- and permit it to invest in hig missile and homber capabilities. new weapons systems. Witbout Salt Two, Russian strategic strength would he a third higher than with It. The agreements would also be verifiable, since "the stakes are too high to rely on trust," the President

> Such a pact could not be divorced from general relations with the Soviet Union, which constituted a mixture of co-operation and competition. "1 cannot let the competitive elements overwhelm the possibility of co-operation any more than I will fet co-operation blind us to competition, which we are fully prepared to meet," Mr. Carter stated.

> But, he concluded, without Salt each crisis confrontation and friction with the Sovict Union would take on an added measure of significance and danger because it would occur "an atmosphere of unbridle competition." Mr. Carter was at palos to

warn Moscow not to interfere in tbe internal affairs of other countries. Specifically, he said, be rejected the arguments of those who sought to equate U.S. action to defend the safety of its citizens in Iran with interven-Coolinged on Back Page

5 in New York

# New tap may be over-subscribed

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

PRICES OF gilt-edged stocks stocks on offer may be oversubscribed when lists open tomorrow.

There were widespread reports yesterday of buying by foreign investors from Japan and Europe following the recent large-scale purchases by UK institutions.

The strong demand bas resulted in the sale of more than £1bn net of stock and has pushed up the FT Government Securities Index by 21 per cent since Minimum Lending Rate was raised nearly a fortnight

American news ...... 4

Overseas newa ...... 4

But two-thirds of the rise io total amount due on the two rose sharply again yesterday the index has come in the past stocks is £1.25bn. with the result that the two new two days. This is after the price The possibility roughly in line with the market. The result is that the new issues are offering yields of around

of the two new issues — a being over-subscribed creats a medium and long-dated tap dilemma for the Bank of stock—were fixed on Friday England. The authorities appear 30p to 35p per cent more than existing stock. An added attraction is that only £t5 per cent of the two

atocks bas to be put up on application with the rest due over the next two months. would probably be required for

major market reverse fully subscribed tomorrow. The trol of the money supply.

to be pleasantly surprised to say the least, by the scale of buying which more than covers their funding needs for public sector borrowing for the next two

months.

But the response is also embarrassing; there is in particular, the problem of what can be done next to prevent giltedged prices racing away given the apparently strong demand. Such a development could comthese stocks not to be fairly plicate future funding and con-

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Euromarkets .....

Money and exchanges

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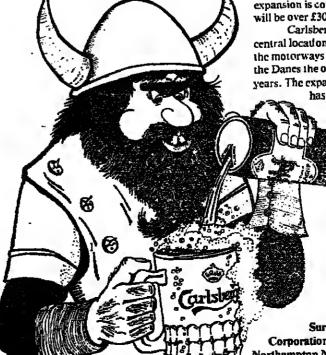
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# In 1010AD Sweyn Forkbeard burnt Northampton to the ground

Really it was another case of Ethelred the Unready living up to his name. Old Sweyn was a Danish king who waged two long wars against England between 988 and 1016, as a result of which the Danegeld, which bought off the invaders at the expense of the inhabitants, was reintroduced.



When Sweyn Forkbeard's trail of pillage ended England again found peace and prosperity under the Danish King Canute. It was the start of a friendly relationship with the Danes which continues to this day. In 1974 Carlsberg's only lager browery in Europe outside Denmark was opened in Northampton at a cost of £17 million. Since that time Carlsberg has continued to invest at Northampion and by the time the present expansion is completed, the total amount invested will be over £30 million.

Carlsberg chose Northampton because of its central location, which affords ease of access via the motorways to all parts of Great Britain. Nor are the Danes the only friendly invaders of recent years. The expansion of this historic county town has made it a thriving industrial and

> commercial centre and attracted. firms from Scandinavia, Europe and America, and others from as far away as Argentina and Japani Many leading concerns bave already recognised the advantages of relocating here.

You too could share in Northampton's growth and success, as the Danes have done. For further

information contact Leslie Austin-Crowe, Chief Estate Surveyor, Northampton Development Corporation, 2-3 Market Square, Northampton NN1 2EN Telephone (0604) 34734

Angle-Amer. Coal Brunner Inv. Trust Verchwiel Hidgs. . PROSPECTUS INTERIM STATEMENTS Peter Brotharhood . Wintrust For latest Share Index 'phone 01-246 8026

have been introduced.

· MARCHWIEL, the building and engineering company, saw pre-tax profits rise to £13.55m (£13.39m) on a 10 per cent rise in turnover for the year to October 31. Page 22

Labour backhenchers failed in PERNOD RICARD, the a move to make it harder for French drinks company, expects public comounies to make last year's turnover to rise 14 political contributions. Page 11 per cent to FFr 3.9bn (£455m).

#### CHIEF PRICE CHANGES YESTERDAY (Prices in pence unless otherwise indicated)

RISES	NOTIO (M. C.) 30 T 0
Excheq 10pc 1983 ESS: + 1	Powell Duffryn 168 + 7
Treas, 14 pc 1994 f102 + 1	Robertson Fonds 138 + 8
Assoc. Book	Sautchi & Saatchi 161 + fi
75-511-1 210 ± 17	Sainsbury (J.) 248 + 6
Publishers 318 + 12	Sirdar 109 + 3
Rerisford (S. & W.) 182 + 5	Sotlieby P.B 381 + 6
Breedon Lime 118 + 5	20111604 L.P 901 4 0
Brown & Jackson 310 + 15	Union Discount 335 + 10
Cater Ryder 295 + 10	Guthrie Corp 438 + 6
Crest Nichalson 93 + 5	London Sumatra 227 + 10
Davenports' Brewery 94 + 3	Angle-Vaal£10} + }
Decca A 378 + 13	Ininala Plat 226 + 12
Electronic Reprals 178 + 5	Killinghall 300 + 45
Energy Plant 445 4 19	Pacific Copper 102 + S
Farnell Elect 445 + 12	Seleast Expln 45 + 4
Gill & Duffus 155 + 7	Trans. Cons. Land £16] + 1
Inil. Thomson 342 + 12	I fails, Cous. Land 1201 7 1
Keyser Ullman 47 + 4	FALLS
Lithites 38 7 7	
Lindustries 131 + 5	Johnson-Richards
Lucas Inds 275 + 3	Tiles 126 - 4
MEPC 174 + 5	MFI Furciture 230 - 4
Man Aechev	Milford Docka 175 - S
Man. Agency	Tital Scientific 254 - 17

Lud. Scientific



Paul Lendvai reports from Vienna on the growing succession crisis in Yugoslavia

# From personal to collective rule

leadership league, the problem of the succession to Marshal Tito, who is nearly 87 years old, has become more than ever the central political issue in Yugoslavia. The Press for four days has been publishing innumerable obituaries of Mr. Kardeji, and domestic and foreign tributes, bringing bome that the death of Yugoslavia's chief theoretician also marked the end of an era.

All of the indomitable President's closest comrades-in-arms from the Second World War partisan movement and the postwar reconstruction are now either dead or disgraced. The latter category includes the former Vice-presidents, Mr. Milovan Djilas (since 1954) and Mr. Alexander Rankovic (1966). Such veteran politicians, as the 67-year-old Dr. Vladimir Bakaric, the representatives of Croatia in the State Presidency and the Party Presidium are ideotified with one nation only. In this country of 22m people living in six republics and two autonomous provinces and composed of over a dozen larger and smaller national groups, Marshal Tito alone is accepted as a truly all-Yugoslav figure.

WITH THE death of Edvard President Tito last November three and each province two unity, socialism and independ in some way connected with the the Tito regime show that the Kardelj, the second in the gave the go-ahead for an undelegates. Since the last party ence.

| Consense of the second in the problem precedented campaign in favour congress in June. 1978, the army General Nikola Ljubleic, the friends in the high command. precedented campaign in favour congress in June. 1978, the army freedented campaign in favour congress in June 1978, the army freedented campaign in favour congress in June 1978, the army freedented campaign in favour congress in June 1978, the army freedented campaign in favour congress in June 1978, the army freedented campaign in favour congress in June 1978, the army freedented campaign in favour campaign in favour congress in June 1978, the army freedented campaign in favour campaign in favou

cussed by the party and mass organisations at innumerable meetings at all levels.

Yugoslavia is living in fact if not in name, more and more

Tito as President, the top party role helded the fecade of a 166 Central Committee mem
"collective leadership." In eddition to President Tito himself and Prime Minister Veselin party members.

Djuranovic, the general is the The fact that the powerful

66 Yugoslavia is living in fact, if not in name, more and more under a post-Tito system. The latest changes in the Constitution and party statutes provide for what is hoped will be an orderly transition from the rule of charismatic leader to the rule of institutions??

under a "post-Tito system." lican power centres? Marshal only member in the Party minister of interior since 1974, The latest changes in the conTito, of mixed Croatian- Presidium also to occupy a top Franjo Herijevic is also an stitution and the party statutes Slovenian stock, is the symbol executive position in the State Army general is significant. The collective bodies: the nine-provinces. The party has member Federal State Presi-fact heen long "federalised." dency and the 24 member Com-

provide for what is hoped will of Yugoslav unity and of the be an orderly transition from party. However, all crucial the rule of a charismatic leader decisions, including those about to the rule of institutions, the succession mechanism, are Under these arrangements, already now being taken by the Tito's heirs will, in fact, be two leaderships of the republics and provinces. The party has in Under the conditions of permanent friction between the

Presidium also to occupy a top Franjo Herijevic is also an executive position in the State Army general is significant. The appointed in 1967 as Minister, General Linbicic has gradually emerged as President Tito's

periodical rotation at the top, General Ljubleic has remained in place, surviving the upheavals apparatus. in the 1970s which swept away not only most of his deputies, but also the former top leaders in Serbia, Croatia, Macedonia.

Even the mysterious dis-

four alleged terrorists wanted by West Germany last year from a Zagreh jail, in revenge for the treatment of alleged Croat ter-rorists in the Federal Republic, also reflected the growing polltical influence of the security

But speculation about generals running the show in the twilight of the Tito era are as unfounded as are fears of a military dictatorship after Tito. The crucial and often overlooked point about Yugeslavia is that its political, economic and social tensions both reflect and pro-duce national passions. The top officer corps is traditionally dominated by Serbs and Mon-tanegrins, who together account only for some 42 per cent of the

total population. The Croats are also under-represented in the Party Presi-dium since, despite their 22 per cent share of the population, they have only four representa-tives (even if one incindes Tito himself) while Montenegrins with a mere 2.5 per cent of the population boast three members. The Slovenes and Mace-donians also have three dele-gates while the Albanian minority (the fastest growing ethnic group) is represented by two officials. Serbs and Mon-tenegrins make up half of the

by consent and not by orde

Meanwhile the introduction of one-year retating chairman-ships from the Party Presiding and other top political begins and other top political begins down to grazimota level should block what President Tito called the "unhealthy ambitious" of individuals and groups. The chief beneficiary of the present chief benenciary of the present turmoil is the 51 year eld Mr. Brako Mikulic. A Groatian party leader from multisational Bosnia who last October was elected as the first to hold the new office of the Party Chairparty secretary. This 54 year old quick-witted and invisi Slovene politician was regarded as the frontier the succession to the m s effective party les Mr. Dolanc, a forme

Mr. Dolanc, a corest a in the Army counter their service, together Macedonian foreign expert, Mr. Alexander () and the former Foreign and and the former remaining in and Serbia's representative in the Party President. It. Mine, belongs to the health progressive group. But the old leader traditionally probable the Milestiature of no happened. the Mikulic-type of noand seasoned party official sten rather than risky political an social experiments. For this reason, Mr. Kardel's death-came as a plow to the hopes of

came as e plow to the hopes of the more liberal elements who can be found in all republical. The present campaign against "leaders n" and for "collective least ship" is, of course, only a throcescreen for the latest rote of the power battle. But nortion the men slated to share 174 yer after. Those departy pann be suspected of pro-Sovi, consympathies, in the meanting her political turnelly meantingh te political turnell is like all ligo on Forecasting "winnepper and "losers" is impossi to speciale so many once plebt rai politicians have within for fast few years disappeared hirom political. His The Yel draws have preven to he total hroughed intable and the outcompriser the succession strugglet, say more than ever shroud — the uncertainty

## Romania's war of remwords with neighbours neats up

BY LESLIE COLITY IN BERLIN EAST EUROPEAN diplomats' Communist Party's contral comsay the war of words between mittee. Independent-minded, Communist Vietnam.

. Apart from Bucharest's expected rejection of the current anti-Chinese "hands off Vietnam" campaign in Eastern Europe, the Government-controlled Press in Romania and other: more pro-Soviet Warsaw. Pact countries are involved in increasingly heated exchanges. The East Europeans point to

the official Romanian foreign affairs weekly, Lumea, which bas expressed deep concern about an article critical of the Romanian Communists in a recent issue of Tworha, the ones, "as if they were student; weekly organ of the Czech examination papers."

Romania believes the Czech Romania and its Communist
neighbours is growing worse as
a result of Romania's moves to

Czech article openly attacks Romania's stance at the conference of Communist parties held recently in Bulgaria at which the Russians and their allies condemned the Chinese but were not joined by the Romanians or Italian Com-munists, nor by a number of Western delegations. said to have angered Moscow's deeply.

The Romanians have counter-attacked in Lumes, saying that the Czech weekly had no busness dividing Communist views into "right" and "wrong examination papers.

# Satellite talks get nowhere

Berne yesterday of bilateral agreed. This was the them talks between the United States the negotiations in Berne. and the Soviet Union to prevent the development of weapons designed to destroy or disable satchitts. Hardly any progress was made at the talks begun on January 16.

on January 16.

The need for such impunity arises from recognition that in today's world of sophisticated and well-hidden weapons systems, only satellites are capable of verifying that international pledges are honoured. Satellites, for example, are a key method of checking whether nations uphold commitments not to carry out nuclear tests above certain threshold levels, and of monitoring large troop and of monitoring large troop

Photographs taken by U.S. spy satellites are alleged to have given Israelis the exact location of Egyptian missile sites in the Six-Day and subse-

Separate agreements already proscribe interference with satellites and certain uses of cusses anti-satellite weapons; but year.

COOLNESS AND discord controls on the development of marked the adjournment in such weapons have yet to be agreed. This was the theme of

A brief U.S. statement said the talks were "frank and business-like" and that the place and date of subsequent negotiations will be arranged later. The talks took place alternately at the U.S. and Soviet embassies. Underlying the negotiations

is the fear on both sides that satellite weapons might be directed towards Earth. France, also, fearing U.S. and

Soviet monopoly of information obtained from satellites, has called for the creation of an international satellite monitor-ing agency which would oblige that information to be shared. France has suggested that saturities should also be used to monitor implementation of future international accords. such as a complete ban on nuclear tests, and information obtained from satellites might help settle disputes among states.

This proposal will be dis-cussed in Geneva later in the This

# Wave of strikes in Spain

MADRID - A fresh wave of strikes made idle thousands of workers across Spain yesterday, paralysing the textile industry, delaying air line flights and stopping street cleaning in Madrid.

Union officials said nearly 300,000 textile workers began a 48-hour strike demanding a 14 per cent pay rise and other benefits. The walkout was heaviest in the Barcelons area where Spain's textile p'ants are concentrated.

A nationwide slowdown by the 17,000 ground employe

of the national arriine, theris, delayed flights for the second day. The airline was hit by a pilots' slowdown last week. In Madrid, about 70 per, cent of the 13,000 city employees also began a 45-hour strike for a 14 per cant. Increase. It halted street and park cleaning, closed city. park cleaning, closed city, repair shops and the muni-city daughterhouse. Agencies



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المكارم

# German consumers call for farm prices freeze

BY JONATHAN CARR IN BONN

STRONG call to the Bonn Government to accept a freeze on European Community agriculture prices and the dismantling of the system of monetary compensatory amounts (MCAs) in farm trade was made yesterday by the West German

consumers' association.
The association—the Arbeitsgemeinschaft der Verbraucher (AGV)—even suggested that the European Commission's plans for a freeze did not go far enough to deal with the problem of surplua farm production. However, they were a step in the

right direction.

The MCA system, a dispute over which is delaying introduction of the European Monetary System (EMS), was described as a privilege which, over the years, bad brought West German farmera billions of Deutsche Marks. AGV figures showed that the system fixed the overall farm price level bere between 5 per cent and 10 per cent above that of the rest of the Com-munity, making West German agricultural produce among the

most expensive in the world.

The AGV argues that the - which among other things compensates West German farmers for the rise in the value of the Deutsche Mark—shunld be used only as a relatively brief aid to adjustment following abrupt currency



Herr Josef Ertl

Bonn Agriculture Minister, bas argued that he can accept a cut in MCAs only in the context of Community farm price increases. The West German farmers' association has been arguing with its usual vigour on similar lines.

of organised labour in non-farm sectors of the economy, on the topic is seldom beard. But last the chairman of the DGB (Ger-However, in negotiations in man equivalent of the British duction much Brussels, Herr Josef Ertl, the Trades Union Congress), pub in this country.

licly advocated a change of EEC farm market regulations in favour of consumers.

In its statement yesterday, the AGV rejected the argument that West German farmers in general suffered from relatively low in-comes. On the contrary, qualified farmers could earn two or three times more than the average working man, who was principally responsible for paying (through subsidies) the agricultural subsidies.

Further, AGV said that farmers, and other self-employed people, were at the top of the list in terms of assets ownership in West Germany. The value of farming land bad increased on average by about a third in the nast three years. This meant an increase of more than DM 120,000 (£32,250) in the value of the average bolding used solely

In reply in such points, representatives of the farming community point to the wide differences in farming income, accord ing tn the size of the bolding and the terrain, and to share annual fluctuations in earnings due to weather. However, it is generally agreed that West Ger-The voice of the consumer, or man farmers have made solid forganised labour in non-farm progress over the last decade, that they have become a contopie is seldom beard. But last siderable exporting force, and month Herr Heinz Oskar Vetter, that a solution should be found to the problem of surplus production, much of it originating

# Soviet missile threat emphasised

BY ADRIAN DICKS IN BONN

THE WEST GERMAN Government strongly reiterated its view yesterday that the NATO alliance is threatened by the Soviet Union's growing numbers of SS-20 medium range mention of this most urgent rockets, and that it lacks any question in current security system to balance the missile

In a lengthy reply to a series of parliamentary questions, the Government did not, however, give any clue to what attitude it would take to the deployment in West Germany of either the Persbing 2 missile or the Cruise missile. These weapon systems are considered a possible defence against the SS-20.

Bavarian Christian Social Union. accused the Government of blding hehind a heap of generalities" in leaving out all question in current security

The Government statement, said however that "in the overall nuclear balance hetween East and West; there is, in spite of some unfavourable trends for NATO, no immediate military. danger, since the main nuclear forces of the U.S. are conceptually and structurally integrated with the nuclear forces in

The statement commits Bonn

leader in the Bundestag of the to supporting the conclusion of a second strategic arms limita-tion treaty. (SALT II) as well as the continuation of the U.S.-Soviet negotiations towards a SALT III. Despite the many recent public comments here approving of SALT II, the declaration inevitably touches ohliquely on the failure of the proposed treaty to take the grey zone" medium range into - account. It weapons. expressed the hope that during the preparatory stages of SALT III, discussions would take place with the U.S. that "fully cover the security interests of the entire alliance."

# Bonn acts on chemical pollution

BY OUR BONN CORRESPONDENT

Herr Friedrich Zimmermann,

FRAU ANTJE HUBER, the hopes to have approved by her Health, yesterday introduced the country's first federal Bill to prevent and control chemical pollution of the environment. Up to now, there bas been nopiece of federal legislation adequately covering the field, so that it has been left partly to chemical companies to police themselves, and partly to State governments to take action. The Bill, which the Minister

February 1979

summer recess, would be the single most important piece of environmental action by the Social Democratic-Free Democratic coalition during the current four-year term that expires at the end of 1980. As such, it might become a major defensive weapon for the coalition against the so-called "green parties" in next year's Bundestag election.

Under the Bill, newly would have to be tested exten-sively for their environmental impact under standards laid down by the authorities. More animal tests for such risks as carcinogenity are foreseen.

Frau Huber estimated the cost of the Bill at about DM 40m (£10.75m) a year to the chemical industry, if it was assumed that about 300 new industrial chemicals a year ere marketed.

Pressure on the Bonn Government to take action has increased since the recent publication of "Seveso ist Ueberall," a best-seller based on an official report on the implica-tions for West Germany of the 1976 TCDD chemical tragedy a Seveso, in northern Italy.

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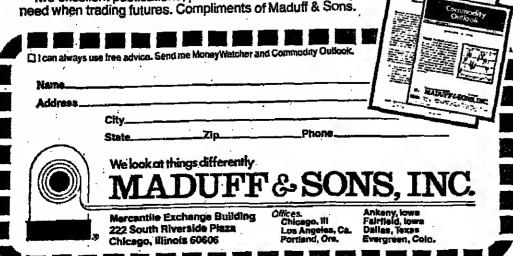
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#### Finns raise growth estimate

Finland expects real growth in 1979 of around 4.5 per cent compared to an earlier 3.5 per figure for 1978 will be about 2.5 per cent, according to Mr. Esko Rekola, the Finnish Economics and second Finance Minister. The main reasons for the higher growth are the continued rise in exports, although at a slower rate than last year, and a probable sharp rise in private consumption.

The growth in exports will belp keep the trade and current accounts in surplus this year, though they will be below last year's FM 2.9bn (£365m) and FM 2.3bn (£289m) respectively.

#### .Chinese students

A hundred Chinese students ranging in age from 16 to 19, arrive in France on Friday to begin their university education under an agreement between China and France, officials told AP in Paris. China is sending about 4,000 students to study

#### Eanes' Africa visit

President Antonio Ramalho Eanes began a five-day state visit to Guinea-Bissau yesterday. the first official visit by a Portuguese head of state to a former African colony, Reuter reports from Lisbon. Guinea-Bissau was the first of Portugal's African colonies to gain independence-on September 24, 1974—and Lishon wants to help develop nil and aluminium bauxite reserves which are among the country's few natural

Malta-EEC link urged Malta should join the Common Market to solve its ecnnomic and security problems, Mr. Eddie Fenech Adami, leader of the island's opposition Nationalist Party, said in Bonn yester-day, Renter reports.

# France criticised over EMS delay

BY MARGARET VAN HATTEM IN BRUSSELS

yesterday made a thinly veiled tary System (EMS).

It was up to Agriculture munity agriculture sector at Ministers, and particularly risk.

France, as current president of The greatest threat to the the Council of Ministers, to conclude an agreement quickly, be told a meeting of COPA, the EEC farmers' organisation.

dency of the Council, should assume their responsibilities and reach a fair and durable agree-

continues to be blocked, history will judge the Council severely."

MR. ROY JENKINS. President the Commission's decision to farmers of the European Commission, press for a freeze on farm prices this year against COPA's attack on France over the dis- accusations that this was unfair pute on farm pricing arrange-ments which is blocking intro-duction of the European Mone-duction of the European Monefuture of the whole of the Com-

Common Agricultural Policy rather than disperse it gener-today is the existence of increas-ing surpluses," be said. "Do not Mr. Jenkins said enlargement ing surpluses," be said, "Do not let your sbort-term interest in again that the Agriculture long-term future of the system."

The Commission was not to the commi ensure the secure incomes of

farmers, be said.

But be indicated that it was ment very soon," be said. But be indicated that it was "If they fail and if the EMS more interested in helping poorer small farmers than in ill judge the Council severely." increasing protection for the Mr. Jenkins strongly defended Community'a privileged big

This year, for example, the Commission planned to introdnce stricter criteria for farm modernisation grants. pose to make these henefits available to more of the smallscale farms which have hitherto heen excluded. We want to concentrate the atd on regions

of the Community to include Greece, Spain and Portugal, would accelerate the policy changes necessary to redress to present imbalance between North European and Mediterranean agriculture. But the Community's ability to implement these changes would depend on its success in con-trolling expenditure on farm

week with no solution in sight.

The small and divided Socialist Party largely bolds the key to events, after rejection by

the Communists of terms offered

standards for beavy lorries,

writes Guy de Jonquieres. Mr. William Rodgers, UK Trans-

port Minister, said Britain bad

the best road safety record of

any Community member. This

was partly due to the strin-

gent tests required for drivers

of heavy vehicles, for which



## European elections explained to Italians

yesterday launched an official promotion of the direct elections to the European Parliament in June despite the danger of their being overshadowed by an Italian general election.

In Italy, the EEC campaign, costing L1.9bn (£1.2m) will run until April 20. Thereafter, it is envisaged, the political parties will take over, shifting the focus to policy issues from the initial information campaign by the

Community. The risk that national and European campaigns might over-lap worries officials from the EEC who helieve that their forts would lose much of their impact. This is particularly true of Italy, where all the main parties are in favour of direct

Questioned about the possi-

EEC Commission, and Commis- fused Government crisis here. sioner in charge of co-ordinating the direct elections campaign, said he hoped the situation would not arise.

He mage clear that none of the nine member Governments

Britain yesterday blocked a proposal by the European Commission to introduce a uniform driving licence licence throughout the Common Market on the grounds that it would lead to a lowering of the UK's safety

had given the slightest indication of wanting to delay the European elections. He was confident that this would not hap-

However, an early end to the

by Sig. Giulio Andreotti, the Prime Minister-designate for the rebuilding of the five-party Parliamentary majority.

Meetings last night and today by the Socialists and the ruling might be held simultaneously on present Italian Parliament fol- Christian Democrats will decide price of June 10 in Italy, Sig. Lorenzo lowed by elections, remains the whether, as expected. Sig. certain

THE EUROPEAN Community Natali, vice-president of the most likely outcome of the con- Andreotti goes back later this week to President Pertini to report failure. which is entering its fourth

In that event, it will be up to the President, a Socialist, to decide whether to accede to the demands of his own party and Communists by picking a lay figure from one of the smaller parties to try tu form a Government. Assuming that experiment fails, the only alternaive to a dissolution would be a new variant of the old Centre-Left formula, embracing Christian Democrats, Republi-cans and Social Dimocrats.

Socialist support for such a venture would be vital. But the party would face a litter choice. would have either to give its blessing and risk a damaging split hetween Left- and Rightwing factions, or it would have to join the Communists in opposition. Unity would be ensured in that case but at the price of making a spring poll

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involvement in this complex aspect of finance is only matched by the skills we can bring to bear Among major projects in which we have been involved are a large shipyard development in the Republic of Korea, an iron ore mine in Brazil, an aluminium smelter in Dubai and a liquefied natural gas plant in Iran.

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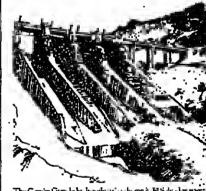
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#### Salisbury airport 'normal' after raid

By Tony Hawkins in Salisbury

SALISBURY International Airport, 10 miles from the city centre, was operating normally yesterday, after an unsuccessful attack the previous night by Patriotie Front guerrillas. A military communique confirmed that guerrillas had attacked the airport with mortars just before midnight on Monday, but there were no injuries or damage to property. Military sources said later that the attack bad been Jaunched from a long distance, and oo mortar shells had even reached the runway—one of the loogest in the world—let alone the airport terminal buildings. The shells are understood to have exploded ontside the airport perimeter.

The attack was the tbird against a strategic installation in the capital, and the second in a week. In December, guerrillas carried out a successful raid on Salisbury's bulk oil atorage depot, and last Tuesday made an ineffectual attack on the power station three miles from the city centre. There have been no casualties in any

of the raids.

The only visible evidence of the attack yesterday morning was the sight of airport officials taping windows te minimise the danger of fiving glass if there are more attacks.

The attack was launched against the civil airport, not the military complex which is a mile away on the other side of the main runway.

This is the first attack of the war on Salisbury airport. It took place when the airport was virtually deserted, although one started, at last, with the apud- the blocks currently held by flight—the late-night service ding of the first well some 200 Agin and Demioex would from Johannesburg-came in miles south of Ho Chi Minh amount to

two hours after the assault. Combined operations headand two blacks in other incidents

A white farmer was killed when his car was ambushed in the Sbaamva area of North-east Rhodesia, while a white pilot and two black servicemen also died in the north-east when their amali aircraft struck a

mine while landing. Meanwhile, Rhodesia's House of Assembly yesterday passed the third reading of the Constitution Bill providing for one-man one-vote elections in April. The Bill now goes to the Senate for final ratification,

which is regarded as a formality. The Constitution will be promulgated carly next month, and March 23 is scheduled to be nomination day for the elections. The Rhodesian Parllament is likely to be dissolved hefore the end of this month, possibly later ing effort would present an

sitional Government, flew into way. It might not need a of the affair but fails to suggest sador in Peking was instructed London resterday for a meeting direct attack on the rigs to that responsibility for the to convey to the Chinese with Dr. David Owen, the stop Foreign Secretary, at which be limited naval conflict could It goes on to state that Japan Chinese military withdrawal will demand a full explanation create a force majeure situation has made frequent requests to worded in terms which were of why plans for an all-party sufficient to cause the foreign both China and Vietnam to slightly more emphatic than conference on Rhodesia were contractors to stop work without sottle their differences in recent those in the original Sonoda

# Four more generals shot in continuing Iran purge

TEHRAN—Iran's revolution-were announced, an official "I have inherited an army rulers yesterday executed spokesman said 22 other mili-which in Tehran did not have four more of the Shab's gentary and civilian officials of the even one soldier," Gen Qarani erals, bringing to eight the number of top military men killed in the last week.

The death sentences were decreed by an Islamic revolutionary court and carried out at 2.45 a.m., the national radio Voice of the Revolution " said.

The four men executed were: Brigadier-General Nematollah Motamedi, military governor of Qazvin and army commander there, Brigadier-General Manouchebr Malek, commander of the armoured brigade in Qazvin, Major General Parveez Amir Afshar, commander of a division of the guards, and Brigadier-General Hossein Hamadaniao. head of the Savak secret police in the western city of Kerman-

Four generals — iocluding Nematoliab Nasseri, the former head of Savak-were machinegunned to death just before midnight last Thursday on the roof of the military headquarters of the religious leader Ayatollah Ruhollab Khomeini, who led the campaign to topple

overthrown monarchy were being put on trial.

Meanwhile, more than half of Iran's soldiers, who deserted in droves during the uprising, bave time, we have been able to

The jetliner flown by Shah Mohammad Reza Pahlavi when he fled Iran last month was hijaeked by its crew and flewn back to Tehran from Moroeco yesterday, a spokesman for the new revolutionary Government confirmed. The spokesman said the Boeing 707 named Sbahin or Sbah's Falcon landed at Tebran's Mehrabad airport and its crew was then escorted to the headquarters Khomelni, Ayatollah

returned to duty across the country although the rate of has been lower in Tehran, the new Chief of Staff has said.

Gen. Mohammad Vali Qarani told reporters that soldiers in Tehran atill feel a great deal of hitterness from the people after montha of clashes leading to the When the first executions overthrow of the monarchy.

said, "and because of the treason of former commanders,

return to barracks or posts more than 50 per cent of army personnel, especially out-side Tehran." He said the prolem in getting more soldiers to return was one of "fear army personnel feel and the insulis with which we are addressed by the nation,"

He sald the forced retirement of senior officers was continuing, and that another 20 had been dismissed on Tuesday. Among ibose placed on the retirement list were Gen. Gholam-Reza Azhari, martial law Prime Minister who left for the U.S. in January.

Gen. Garani also revealed that

members of the Imperial Guard. sworn to protect the Shah, had submitted resignations from the service. Prime Minister Mendi Bazargan announced last week the elite guard woold be ois-banded and its members farmed out to other units.

# Border war may halt Vietnam's exploitation of offshore oil

BY MICHAEL MORROW

VIETNAM'S offshore exploration programme

City. But this first step to exploit quarters announced later that what many believe are sub- U.S. was granted the same said they might be willing to guerrillas had killed two whites stantial quantities of offshore blocks by the former regime return if the U.S. embargo oil, could well be overshadowed in Saigon. hy bostilities with China and continuation of the U.S. trade embargo against Vietnam.

Vietnam has so far signed three offshore exploration contracts with foreign companies: with Bow Valley, of Canada, for two exploration blocks, with Agip, of Italy, for two blocks and with Deminex, of West Germany, for one block.

The first spudding was carried out in one of the Bow Valley blocks by the semi-submersible drilling rig, Dan Queen, which flies the Danish flag.

All three companies are obliged to complete a well hy the end of March. Normally that would be no problem and the equipment, men and money are at hand.

exploration. violating their contracts.

Moreover. Shell announced commercial, although it does has last month that exploration on "expropriation of our interests without compensation." Shell Incorporated of the

In 1974, Shell discovered oil harrels a day. Mobil Oil of the

not intend to return to Vietnam. Marathon and Union Texas also operated concessions granted by the old South Vietnamese regime. They have were lifted.

In 1974, Shell discovered oil But, given the situation on after only eight days of drilline, the Sino-Vietnam border and with a reported flow of 2,200 the proliferation of disputes over the South China Sea, there U.S. made a similar discovery, is unlikely to be a mad which it says was probably scramble for contracts.

## Japan caution on invasion

BY CHARLES SMITH, FAR EAST EDITOR, IN TOKYO

an important opportunity to rolling by withdrawing its demonstrate its impartiality in troops from Vietnam. But Vietnam's offshore drill- Foreign Minister.

this week.

Chief Joremiah Chirau. a member of Rhodesia's traneltional Covernment flex and page in a limited but effective "swift and peaceful settiement" Meanwhile, Japan's ambasa incursion lies with the Chinese. Foreign Ministry a call for

months, but does not say that statement.

JAPAN appears to bave missed China should start the ball

The day after Mr. Sonoda's the Sino-Soviet conflict by failing to condemn China's invasion by the Foreign Ministry, the of Vietnam in a statement Minister himself claimed in the issued by Mr. Sunao Sonoda, Its Diet that Japan had "strongly condemned " Chinese incursion The statement, released the into Vletnam. But he retracted

# **CAMP DAVID 2**

# Bid to break the Mideast impasse

By David Lennon in Tel Aviv

THE MIDDLE EAST peace talks which get under way at Camp David today are regarded in Israel as the crucial test of whether there is any hope of breaking the impasse in the negotiations with Egypt. Five months ago the leaders

of Egypt, Israel and the U.S. emerged from the presidential retreat in Maryland wreathed in smiles, and announced that peace was at hand. Today it is a grimmer gathering, as senior ministers of the three countries try to find again that flexibility hich made the original Camp David summit such a triumph. Two months of talks following Camp David produced a draft peace treaty but no peace agree-

menia as both Israel and Egypt began to pick holes in the terms worked out by their ministers. Both Mr. Cyrua Vance, the U.S. Secretary of State, and Mr. Alfred Atherton, his special envoy to the Middle East, failed to overcome the lingering objec-U.S. mediation efforts only con-

Both countries have already made thoir major concessions. Egypt has agreed to recognise Israel and live in peace with it, while Israel has agreed to withdraw from the occupied Sinal and dismantle the Jowisb sottlement there.

some of the lesser details. Both Thus they have created new bastions of principle from which they are going to find it Israel believe that the process hard to retreat.

of bridging the remaining gaps between the positions of the two Middla Eastern states.

Mr. Dayan sees the new round Strip. Other Issues of concern the reconciliation between of talks being divided into three to Israel are the priority of the Syria and Iraq, bas made the stages. The first, which gets under way today, will he a preparatory stage at which the Americans are expected to put forward a package of comprosing propagals to deal with all redeclarations and the supply of Sinai oil to bridge, and U.S. funding for the israel whenever be chooses, but redeclarate the priority of the Syria and 1raq, oas made toe stages. The first, which gets bilateral pact over Egypt's gulf between Egypt and Israel with other Arah states, the future supply of Sinai oil to admits, his bilateral deal with forward a package of comprosing to deal with all redeclarations of the supply of Sinai oil to deal with mise proposals to deal with all redeployment of Israeli troops it would take a totally un- once the Sinai fields are rothe remaining issues.



Mr. Moshe Dayan

The Israeli and Egyptian teams will briefly explore each other's reactions to the new ideas. Then they will return home to report on the results of these probinga.

If the ministers are convinced

that there is room for negotia- the venue for this fresh round tions, and can persuade their colleagues in their respective capitals that it is worth continuing, then they will return to reminder that only when Mr. Washington, probably with en Carter, Mr. Sadat and Mr. larged delegations.

At that stage the real negotia-tions will begin, with the aim of agreeing on the formulae which But despite this, the con- will then make it possible lo clusion of a peace agreement bas bring Mr. Sadat, Mr. Carter and heen held up by quibbling over Mr. Begin back to a summit at were resurrected by the subwhich a peace treaty would be countries have explained their concluded, and probably signed. inability to sign the agreement But given the stop-start accords, essentially by Mr. by stressing in public bow record of the peace process Begin, means that Mr. Carter's important these minor points since initiated by President task next time round will be Sadat's visit to Jerusalem in more bazardous and that the November 1977, few people in present nogotiators can at best

will be smooth. Mr. Moshe Dayan, the Israeli

Foreign Minister, has said that degree to which the bilateral nical difficulties, it was up to the U.S. to find ways

pact will be linked to the imple—However, the pact will be linked to the imple—However. mentation of self-rulo for the in the Middle East, especially Palestinians living in the the vigorous upsurge of militant occupled West Bank and Gaza

withdrawn from Sinai.

By Roger Matthews in Cairo

IT IS INDICATIVE of the present mood in the Middle East that neither Egypt nor Israel has expressed any optimism about the latest round of peace

President Anwar Sadat went so far as to issue public instructions to Mr. Mustafa Khalil, the Prime Minister, at the weekend that he must not make any concessions, while the apparent disarray in the Israeli Cabinet has ensured that Mr. Moshe Dayan, the Israeli Foreign Minister will have conatantly to report back and seek further instructions. Evon the role of Mr. Gyrus Vance, the U.S. Secretary of State is weakened by bis own lack of success in the peace process during the past 15 months and by President Carter's recently expressed willingness to bold another tripartite summit if

the present negotiations fail. The choice of Camp David as of talks may evoke the "success" of the September summit but also serves as a Menahem Begin the Israeli Prime Miniater, were together did the political will to find a solution temporarily overcome

deep-seated suspicions. The fact that those suspicions sequent interpretations that were placed on the Camp David nnly try to prevent a further deterioration while attempting to remove relatively minor tech-

However, the pace of events Islamic sentiment in Iran and Israel whenever be chooses, but commitments on oil supplies



Mr. Musto a Khalil

the Begin Government for the Egyptian leader to flod the Arab partners be needs for there to he any prospect of a comprehensive settlement.

All Arab countries and the Palestinians have rejected the Camp David accords as a basis for a Middle East aettlement. Nothing has happened since the Bagbdad summit in November to make thom moderate their views. On the contrary, the chango of regime in Tehran had given a major boost to the aspirations of the more radical Arab forces and threatens further to isolate President

Sadat in the region. Against such a background the U.S. and the Egyptians will paper work associated with the again this week be trying to research and documentation persuade Israel that the signing adds to the blizzard created by of a peace treaty must be the plethora of Government linked to progress on establishing a Palestinian authority on the occupied Wost Bank and

Meanwhile many more hoors can be spent in the coming days arguing about Article 4 of review of security arrangements in Sinai is mandatory after five years. Discussion too will centre on Article 6 which defines Egypt's related obligations to its Arab colleaguea and to Israel, and on Israel's renewed demands for a firm Egyptian predictable change of policy by turned to Egyptian control.

# Brazil cancels Parana dam accords

BY RIK TURNER IN SAO PAULO

BRAZIL has withdrawn from all the negotiations last September. 10-metre increase, to a level of agreements it had negotiated Argentina was seeking to in-with Argentina on the world's corporate some new elements largest hydroelectric scheme, which came out of the Punta the SS.Sbn Itaipa dam on the del Este talks in December and the SS.Sbn Itaipa dam on the Parana river.

Brazil made its decision after hist recognised Brazil's underreceiving an Argentinian pro- taking to use only 18 of its 20 posal that the beight of Argenturbines at Itaipu. a commit-tina's Corpus dam, further ment it had already made to upstream, should be raised by Paraguay. The second was that, five metres. Paraguay, which is participatreserve turbines. Argentina

dam, and with Argentina at Corpus. was immediately informed of Brazil's action, which puts negotiations back to the position of two years ago. Argentina put forward several

ing with Brazil on the Itaipu

#### Lockheed's final chapter

By John Wyles in New York THE LOCKHEED Corporation has provided the U.S. Secorities and Exchange Commission with bitherto unpublished details of improper payments in more than a dozen countries.

These disclosures apparently represent the final chapter in the saga of improper or illegal payments by Lockheed

The commission is believed to have agreed not to disclose the identities of individual recipients of payments from Lockheed and more than 400 other U.S. companies which have filed information on foreign payments in the last

few years.

Lockheed gave the commission details in May 1977. identifying foreign individuals who had received eash from a \$38m fund. The company argued that publishing names would jeopardisc existing contracts and injure prospects for

future sales.

After further discussions, Lockheed has now sent the commission a 16-page summary of its foreign payments which show that the company had also been dispensing money up to 1975 in Taiwan, Malaysia, Mexico, Morocco, Knwait, Argentina, Columbia, Peru and Venezuela.

The details include acknowledgment of a payment of 11m in "consulting fees" to two Spanish air force officers and S2m to a Lichtenstein corporation whose main heneficlary was a senior military officer in Sandi Arabia. Government officials and executives of Gulf Aviation

Company, owned by four Gulf states, are said to have received \$9.7m in pursuit of

East Coast thaw hope Surprised by a fast-moving snow storm, the eastern United States yestorday awaited an equally sudden that which was expected to end the weeks of celd weather, AP reports from Washington. The storm, which approached blizzard conditions in some places, raged from Virginia to Connecticut

#### Brazil's withdrawal from the it should have the right to a reserve height of five more negotiated agreements, was its stipulation that the filling of metres at Chrpus. the Itaipu reservoir, scheduled The water level at Corpus will for 1982, should he done only directly affect the Brazilian in August, September or Octodam's output. Its normal height proposels on January 30, hased of 95 metres would mean an ont-on the Rio de Janeiro document put of 12,600 MW at Itaipu, and which represented the stage of Brazil had already agreed to a since that is the dry season. ber, for a maximum of 20 days.

105 metres, accepting a drop in Itaipu's output of 880MW, and

benefiting Argentina by an increase of 1.746 MW at Corpus.

reserve height, to be used at

times of exceptionally high

water in the Parana, would

mean a further drop in Itaipu's potential of 1,370 MW, which

Brazil considered unacceptable.

: Another point in Argentina's

proposals which contributed to

proposed five metre

BY VICTOR MACKIE IN OTTAWA

added two new clauses. The

since Brazil was to have two

proposed, as compensation, that

tabled the expenditure estimates less to apend than in the current in the House of Commons, year.

Officials estimate that about 16 The largest single cut will be cents of every C31 to be spent in the public werks depart-by Ottawa has been earmarked ment, its budget is reduced by to pay off interest and service C\$141m. About C\$100m of the charges on the rising national cot is accounted for by post-

rising cost of the debt, by inflation and by indexed social protion and by indexed social pro

CANADIAN GOVERNMENT jects, reducing aid to home-critics said the forces had been spending in fiscal 1979-80 is to buyers, and cuttling payments to allowed to decay. rise by C\$4.1bn (£1.7bn), an some Crown corporations, increase of 8.9 per cent. This Thirty eight federal depart-brings the Federal Government's ments, agencies and commisbudget estimate for the coming sions will receive less than in year to C\$52.6hn. the previous year. While 51 hr. Judd Buchanan, the federal agoncies will increase Troasury Board's president spending, federal departments released the figures when he tabled the expenditure series.

Canada budget increase of 8.9%

With its options limited by the ments and construction.

Foreign sid will be increased slightly, to C\$1.20m from C\$1.11bn last year

The Government has out C\$72m from Atomic Mnarry of Canada Ltd. because of the mothalling of the heavy water plant at Train Rivilles. Mr. Buchanan's department described this as "action to negetiation."—a reference to the Quebec Government's Group opposition to the community of the plant.

cot is accounted for by post-ponement of building improve-ments and construction.

Defence department spending

Spending on the statering of the cost of programmes is down to C2349.3m. from C235.4m.

# Miller warning on recession

BY STEWART FLEMING IN NEW YORK

FURTHER acceleration of infla- committee, Mr. Miller also diswould imperil the goal of slowing the U.S. economy without prompting a recession, Mr. the money supply is expected William Miller, the Federal to grow by between 1.5-4.5 per

tion or severe shortages of closed stricter targets for the critical commodities such as oil growth of the U.S. money supply between the fourth quarter of 1978 and fourth quarter 1979. The narrow MI measure of

Reserve chairman, warned cent over this period. M2 by yesterday.

In evidence to a Congressional cent.

These forecasts are slightly below the ranges set by the Fed in its previous public pronounce

ment in November.
The someonic as distinct from
the symbolic significance of the
changes is now hard to estimate. The Fed has been under paraistent pressure to our monetary growth on the grounds that this will help restrain inflation.

#### Carter team says energy consumption can be cut

WASHINGTON - The Prest view is based on simple projecdent's Council of Environmental tions of past trends, requiring Quality has said that the U.S. 3-1 per cent growth in energy can maintain healthy economic consumption each year to growth, and at the same time achieve a similar level of growth cut annual increases in onergy in the nation's economy, consumption almost to zero.

But the Council, eiting a

traditional predictions of U.S. energy needs, that similar levels of economic Revised and more realistie estimates now indicate that with a moderate effort to improve energy productivity, our energy consumption in the year 2000 more than about 25 per cent," it said. "With a determined effort it need not increase by more than about 10-15 per cent." Forecasts have generally called for the dnubling of U.S. energy consumption by the end

to support its argument, said growth could be obtained with increases in energy constraption as low as 0.5 per cent a year, if the nation made a real effort to practice conservation.

With a maximum conservation effort - which is thought too extreme to be politically accept able—the U.S. could consume 19 per cent less energy in the year 2010 than it did in 1977, while doubling the Gross National Product, the Council said. of the century. The traditional AP-DJ

#### U.S. Steel to increase prices

By Our New York Correspondent ANOTHER GENERAL increase in steel prices is expected to follow the decision by United States Steel the country's consumption almost to zero.

But the Council, eiting a largest producer, to raise prices
The Council's report contranumber of other recent studies by 4 to 6 per cent on selected products.

U.S. Steel said that the increases will be on products which are primarily sold to industrial customers such as rods, wire, railroad wheels and axles, tip will products and standard and line pine.

The products covered account for about one-quarter of the company's total steel output and the increases, when averaged across the whole product line, amount to an increase of only 1.5 per cent.

INDUSTRY AND BUREAUCRACY

# Snowed under in a paper blizzard

month, as more than 1,000 U.S. corporations officially informed the federal Government how they will meet the voluntary wage and price guidelines sug-gested by President Jimmy

Already, 143 economists, accountants and clerks fill the Office of Price Monitoring and the Office of Pay Monitoring at the Council on Wage and Price Stability (COWPS) in Washing-The Council says it is seeking anthorisation to increase its staff by 90 in order to ferret out violators of the suggested 7 per cent maximum

Carter. last autumn.

wage increase and 9.5 per cent price rise ceiling. The punishment for non-compliance is public listing and possible loss of Government contracts. President Carter has asked for cooperation from companies with annual sales seem particularly annoyed by oxceeding \$250m.

Many corporate executives assigned the task of interpreting the regulations and compiling the data are aggravated Not only are the guidelines unclear, they complain, but the regulationa over such matters as job-related health and safety standards, pension abd retirement plans, and hiring of minority and women workers.

Sears Roebnck recently ex-pressed dissatisfaction with the the draft treaty which Egypt state of regulatory affairs by wishes to amend so that a filing a suit against ten federal agencies, charging that the morass of anti-discrimination laws made it difficult for the giant retailer and other corporations to comply,

(Sears also claimed that the Government i tself moulded a workforce in which women and minority members are less skilled than their white made comply" counterparts who benefit from officers overseeing the

BY MARALYN EDID IN CHICAGO ANOTHER American bureau-Government-sponsored military, pliance efforts say that matcheracy swung into action this job training, and oducation pro-ing the given definition and grammos.) Explained Sear's director of

equal oportunity: "It (the suit) margins of latitude. was the culmination of a whole series of frustrations, leading to allow a company to define the feelings that we were unable to number of employees falling audit our equal employment under the 7 per cent wage performance because of the conthe Government."

examples to their particular sidiaries, set up a five person cases still leaves confusing task force to oversee compliance

flicting regulations coming from choose the method that best suits its particular situation. So Sears is not alone. Company one Chicago-based company is executives who administer the doing the entire range of calcu-

Businessmen are particularly annoyed by the latest bureaucrats charge on their time: the information they are required to gather to help reinforce President Jimmy Carter's wage and price sort out the regulations with guidelines.

paper: sbuffling routine note lations before finalising its that their work produces no approach. tangible result, be it added pro-Thou there are the additional fit or less inflation. And they research costs of gathering doubts about the end result. the new wage and price guide-

The voluntary guidelines state that pay increases, including the value of most fringe berefits. calculating the costs of providshould not exceed 7 per cent for employees as a group and price ing insurance benefits by groups employees while its increases should be kept at least traditional cost computations are 0.05 per cent below the average rate of increase during 1976-77, with a first of 9.5 per cent

For the time being, there are no special forms for companies to fill out and several thousand fewer bureaucrats to contend with than during the period of wage and price controls in-augurated by President Richard Nixon in 1971. Nevertheless. executives seem exasperated by the current regulations' lack of clarity and the bours of staff time needed to comnile an array of statistics not readily available. Although COWPS published

a dotailed explanation of the

guidelines, a series of questions

and answers and a "how to

corporate

record keeping methods. Because Horton Norwich is self-insured, to meet the standards, it is

counted the manhours already deveted to the guideline pro-gramme or estimated the future workload of monitoring their compliance. "There's just no way to put a cost on it." commented one Chicago executive, who added he spent an entire day on the telephone trying to

collegeues at the company's sub-

Consolidated Foods, a \$3,550 conglomerate with 40 sub-

efforts. Masonito, a \$529 hard-

board producer, said some managers may be spending up to

20 per cent of their time on the

Most companies have not

sessary research

Although corporate leaders are grumbling about the example work and express requested data which does not most affected companies indi-correlate with a company's cated their willingness to cated their willingness to comply with the guidelines. A COWPS spokesman said the Intent was not to make the reporting onerous

When the Council last week published a list of the 207 companies that have pledged their organised by location.

To meet these requirements, many companies bave assigned the job to top corporate staff.

assistants and field managers.

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E.G. Brown (Brighton) Ltd.
Chaimel Plastics Carbon Ltd. The
1. Crossling & Co. Ltd.
Exter Heating Supplies Ltd.
I erguson industrial Holdings Ltd.
S. & F. Green Ltd.
Edwan Ray (Cealings, Service) Ltd. Manify & King Ltd. Mekalle Manufacturing & Marketing Co. Ltd. (and subsidiary Cos.) A.G. Numi & Co. Ltd. affron Walden Building Material Supply Co. Ltd., Th. noylord Tracing Co. Ltd., The sade Plumbing & Building Supplies Ltd. Winter & Son Life. Ores and Metals
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Could Stank & Montyre Ltd.
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Anten Automotive Services Ltd.
Charles Earber & Sore Ltd.
A & J Bowen & Co. Ltd.
Coortholaiders Supplies (Un) Ltd.
Le Frove Ltd.
Funon Forshaw Group Ltd., The
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LD, Breen (Ed. 1919) Ltd.
Carless Capel & Leonard Ltd.
Ourdonan Ltd.
Hanturg Associated Industries Ltd.
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> forward a pacific an of standand exist. ेशाय उद्यक्ति

# German exports buoyant despite strong D-mark

despite the rise in the value tomers. At the same time of the D-mark and the fall in and contrary to many fears — deliveries to OPEC states, parthere has been no fall in deticularly Iran.

In its latest monthly report, the Bundesbank notes that export orders in the last quarter uf 1978, seasonally adjusted, were higher by 5 per cent in value and 3 per cent in volume terms than io the same period

A key reason was the strong rise in foreign demand for West German capital goods-notably from the shipbuilding, mechaolcal engineering and electrical engineering sectors.

The Bundesbank notes that demand for manufactured goods

British call for

easier EEC

By Lorne Barling

THE BRITISH

import curbs

-Federation has made a new plea

for the European Community to

adopt a more liberal imports

At a tripartite meeting in

London, Mr. Harry Cave, senior vice-president of the BIC,

pointed out that imports policy

uftimately has a direct bearing

The meeting, attended by representatives of the EEC, the

Departments of Trade and Indus-

number of problems faced by

British importers, particularly regarding textiles and other

Mr. Cave soid that the Multi

the FFC as a whole in expanding

The generalised system of pre-ferences was also criticised on

the grounds that it created an

inteven flow of imports

Arrangement in its re-

severtive imports.

WEST GERMAN export pros- has been growing among West German exports to the U.S. and pects in 1979 appear good — Germany's main European cus- Canada together last year rose Canada together last year rose by a buoyant 9 per cent to DM 22.3bn, while imports from them virtually stagnated at detailed trade figures for 1978 bank for the continuing com-during which West Germany petitiveness of West Com-

achieved a trade surplus of DM 40.7bn. delivery dates and the low domestic inflation rate. The figures, just released by the Federal Statistical Office, It is noted that last month show an increase of 6 per cent

the D-mark had revalued in nominal terms against the curboth in exports to and imports rencies of Germany's main trade from the eight other EEC counpartners by 8 per cent since January 1978. However, the tries - which account for about real revaluation " rate-allow-German Irade surplus with ing for the faster increases in these countries alone totalled al producer prices — was only 2 to 3 per industrial

Despite the dollar's fall, West cent.

balf West German trade. The

#### Lisnave bids for repair work on Andros Patria

LISNAVE, Portugal's ship company repairing accounts for some 5 per cent of the country's total export seasonal tow point.
earnings, is hoping to win a The tanker, crippled by a
major order shortly to repair series of explosions off the policy, particularly in relation to practical problems being experienced as a result of import

Lisnave technicians assessing the cost of repairs to an estimated 1,000-tonnes of steel in the tanker's damaged bull, believe that the work could be worth something in the region

prospect given the company's financial present difficulties which are currently reaching a

the Greek super tanker. Andros Spanish coast last January, was Patria, owned by Seas Transtowed into Lisbon harbour by portation Corporation of two Dutch tugs earlier this two Dutcb tugs earlier this week, after the Portuguese Government bad been assured that there was no longer any risk of pollution.

An estimated 167,000-tonnes of Iranian crude was still inside the tanker following the explosions but much bas been off-Lisnave is attaching consid- loaded on to tankers owned by erable importance to such a British Petroleum.

#### French-Soviet insecticide contract

BY DAVID SATTER IN MOSCOW

THE FRENCH firm Speichim by the Techmashimport Soviet neved form, with its "enormous bas been awarded a contract restrictions" on the import of valued at FFr 440m (£55m) for the supply of equipment for an important actions in Navan in bas been awarded a contract insecticide factory in Navoi in Soviet central Asia.

The contract will be 80 per cent financed under the Francoper cent in cash. It was awarded cotton fields.

Foreign Trade Organisation. The factory will be based on

a process developed by Rhone Poulenc for the production of Fozalon insecticide. Fozalon is a pest killer used in protecting cotton. It will replace DDT in Soviet export credit line with 20 the Soviet Union's central Asian

#### **UK** wins Thailand airport consultancy

By Michael Cassell

THE CONSULTANCY CORtract for the £50m improvement scheme at Bangkok's Don Muang International airport is to be awarded to a team led by Sir Frederick Snow International

The Prime Minister of Thailand, General Kriangsak Chomanand, announced on Bangkok radlo that his Government had decided to award the consultancy contract for the project to the UK. Apart from Sir Frederick Snow, the team includes E. P. D. Consultants, a subsidiary of BlCC, the British Airports Authority, the Civil Aviation Anthority and local consultants based in Bangkok. Yorke, Resemberg and Mardet International are the archi-

The contract, which is yet to be signed and which will be the subject of talks in Bangkok over the next few weeks, bas been won after an seeks, bas been won after an 18-month campaign by the UK team. International competition came from Dutch, German. Prench, Japanese and several American consultants—all known internationally for airport planning and design work.

#### Ariane rocket deal signed

By Michael Donne, Aerospace Correspondent

EUROPEAN Space Agency has signed with Intel-sat, the international telecommunications satellite organisation, a \$25.29m (over £12m) contract for the provision of one Ariane rocket to launch an Intersat V satellite from April, 1981, with the option for a second Ariane lannch later to cost \$27,46m.

The Intelsat programme provides for the development and launch of a series of seven satellites, the first four of which are due to be launched by the U.S. Atlas-Centaur launcher between mid-1979 **GATT TALKS** 

# Domestic lobbies tie Japan's hands

BY BRIJ KHINDARIA IN GENEVA

developments towards accord in the Tokyo Round trade talks between the U.S. and the Common Market, and could yet be the nation that throws the spanner in the works at the last mills.

manocuvred themselves into an uncomfortable corner in the trade talks through a combination of pressures from politically important demestic lobby groups and a gap in communica- market. tion with the West which is becoming Increasingly difficult to overcome.

The Japanese Government is clearly under severe pressure

scale farmers and the processed foods industry as well as certain sectors of the textile, ship- greater access to the Japanese building, and chemical products industries, and its paper

These are precisely the sec-The Japanese appear to have tors in which the Common Market, for example; must obtain significant lariff concessions and reductions in nontariff barriers to trade to win a larger share of the Japanese

market are precisely those that are also alling in Japan.

The problem for Japan is that leaving little important regions and large manocuvre. groups of people often depend for their livelihood on a single set of products, such as prucessed foods. Competition from Community are so wide that foreign products would run there might not be any overall these often aiready disadvan- accord in the industrial tariff-

Japanese sources here readily cars, electronics and speciality the board cut of 50 per cent in admit that the Common Market steels, the problems between the its talks with Community, and Is right in trying to sell more in community and Japan are clear unly about 26 to 27 sensitive Japan to erode some of Japan's cut and can be solved without products out of several thousand huge trade surplus with the unduly forcing anyone's hands, are holding up accord.

JAPAN IS warily watching from its small and medium. Community. But they say that But the generally less efficient the troubled industrial sectors small and medium-size enterin the Community souking prises raise problems that can have impact on the political fortunes of Parliamentarians and the Government itself, thus

> Japanese reports from Brussels that the gaps between Japan and the taged regions into the ground, cuts negotiations. They claim On major industries, such as that Jaran has offered an across-

# Devaluation headache for Japanese investors in Indonesia

SINCE THE late 1960s Japanesa businessmen bave made Indotarget for their investment over seas, surpassed only by the U.S. Japanese interests now represent about 35 per cent of all Indonesia's foreign investment. It is not surprising therefore that Japan's business community was very upset when faced with losses (on paper at least) of more than S2bn after the Indonesian Government suddenly devalued its currency by 50 per

cent on November 15 last year. The devaluation means that Japanese enterprises in Indonesia need 33 per cent more rupiahs to pay back a given amount of yen or dollar debt than was the case before devaluation. Since nearly all Japanese companies in Indo-nesia rely on foreign currency financing (rather than on scarce and costly local finance) it has been a serious blow to the entire Japanese business commnnity.

Japanese companies whose assets (as well as their liabilities) are denominated in foreign currencies stand to lose even more since rupiah devalua- and pay fur it in devalued with around 12 per cent before tion has produced an automatic dollars. The lack of local devaluation). tion bas produced an automatic dollars. increase in the local currency currency base on which they have to pay

taxes. The official response of the Japanese business community amounts to an ultimatum demanding measures which will allow the Japanese ventures

funding is partly currency because the Japanese are accustomed to funding in because dollars, and partly because of In an effort to hold down inflation, the Government controls lending very tightly with the in Indonesia to recoup their prime interest rate for the

industrial sector at around 18

the Indonesians adopted a firm policy of not allowing price

Toyota Motor, for example, has

turers appear to be withbolding products from the market in

order to await higher prices.

however,

about

(expected to be between 15-20 per cent this year compared

manufac-

who are inflation

Some Japanese

The immediate crisis for

The official response of the Japanese business community amounts to an ultimatum demanding measures which will allow Japanese ventures in Indonesia to recoup their losses.

The statement asks Indonesia increases in the wake of devalua-

nesians,

worried

to back down on its rigid pricing tion. There was some relaxation

losses. The Federation Economic Organisations in per cent per annum. Japan (Keidanren), sent strongly worded statement in Japanese business came when January in all the top economic ministers in Indonesia.

policies to allow prices to be of this policy in January, but adjusted to the higher costs resulting from devaluation; to stopped shipping to Indonesia introduce measures allowing a since the devaluation because it tax-free revaluation of assets and can't raise its prices. to offset exchange losses; to loosen local credit for foreigners; to take steps to promote exports; and to generally improve the "investment investment This is bound to anger the Indo-

climate in Indonesia." The message states that the "bealthy development" of Japanese business in Indonesia be jeopardised measures are not taken. Because of the beavy losses "Japanese entrepreneurs entertain great apprehensions when it concerns future Japanese investment in Indonesia." It goes on to note pointedly that foreign investment is expected to play a sig-

five-year development which starts this year. The statement's tone of suppressed fury reflects a feeling among Japanese businessmen here that they have been "trapped" by the economic wizards who decided on the surprise devaluation. They are perhaps justified in believing that the Indonesian Government does not regard protection of

Japanese interests as a priority There was, in fact. little reason to believe that Indonesia was ready to devalue so sharply. The country is enjoying a period of economic and political calm, with good rice barvests and healthy foreign reserves. The Japanese enterprises had unwisely depended almost entirely on yen and dollar financing of their operations which largely revolva around importing materials to be produced for local consumption. Japan is dominant in light manufacturing of consumer goods, textiles, chemicals, cars and even downstream steel products. The Americans and Europeans, who dominate the business of exploiting Indonesia'a immense mineral wealth, had chosen better mixes of tocat ruplah funding and have not suffered as much

Japanese investment in Indo nesia is put at between \$2.4bm and \$3bn. If toans are included bankers estimate the total Japanese involvement at between \$5bn and \$6bn. Tha joint ventures in Indonesia bad already suffered from the yen's appreciation against the dollar which made it more expensive to import equipment from Japan

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cosh distribution of 15¢ per share (a total of approximately-s5,000,000) was voted by the Board of Directors to be paid March 19, 1979 to Kennecott shareholders of record at the close of business on February

GLENN P. BAKKEN, Secretary

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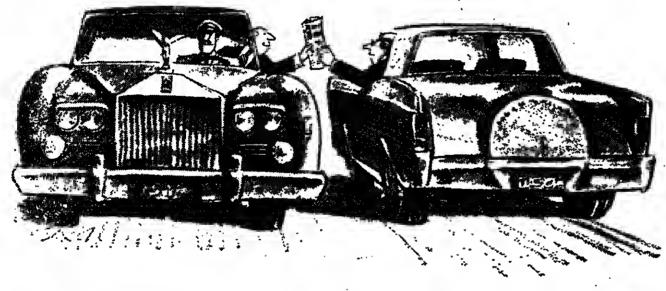
all the effects have been negative. The devaluation - as officially intended—has made the bigh cost of local funding, the prospects for exporting manufactured goods from Indonesia much brighter. Tha manufactured

numerous Japanese textile ventures were at first expected to face very serious problems.
But the devaluation has
eliminated import competition
from other cheap textile producing states in Asla and for the first time allowed the actual export of Indonesian textiles. Other Japanese industries may flud similar opportunities.

If the Indonesian Government make up for its potentially buge losses the present atrained rela-tions may improve quickly. While firing off the Keidenren, protest, the Japanese have also taken the precaution of setting up a Japan-Indunesia Economic Committee which will hold its first meeting in Jarkarta in March on mutual problems.

Indonesia does not particularly like in see its production and commerce dominated by foreigners (the Japanese and overseas .Chinese, respectively) but will have to rely on countries like Japan to continue investing if it is to develop internally. It cannot therefore afford to ignore, the Keidanren .protest.

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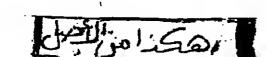
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# Plans for waste paper 'may require imports'

A WARNING that the UK could paper. This was particularly become a substantial importer urgent since local authorities

Mr. David Stansfield, chairman of the Joint Waste Paper as much waste paper as they about the Advisory Council, said that the investment scheme, for which applications closed at the end of June 1978, would add about 500,000 tonnes to the paper and board industry's waste paper utilisation capacity. Unless home supplies were forthcoming, this gap would bave to be filled by imports of waste similar pressure. paper or finished good, "which Waste paper

of waste paper as a result of would continue to bave dis-recent Government subsidies cretionary powers over collect-

recent Government subsidies was issued yesterday by the Joint Waste Paper Advisory Council, representing paper and board mills, merchants and local anthorities, says that collection of waste paper in the UK has not increased during the last six years. But the Government is now spending £23m in subsidies to stimulate investment hy mills in machinery to make greater use of home-produced waste. Mr. David Stansfield, chairman of the Joint Waste Paper cretionary powers over collectionary powers and disappointing year for the last said that 1978 was a disappointing year for collection Last powers consumption, at 2.08m tonnes, was only 0.4 p and prices in turn put severe pressure on merchants and

waste paper collectors.
Local authorities, which had been generally accepted as having a continuing important role in the collection scene once recovery came, had been under

Waste paper prices on the Continent last year were somewould be against the interests of the nation as a whole."

Some form of Government in the UK. This contributed assistance was therefore needed to the inflow of low-priced paper to stimulate collection of waste

# Average family 'needed $14\frac{1}{2}$ % rise' to keep standards

FINANCIAL TIMES REPORTER

A FAMILY with a small semi-detached house and a £12,000 main blows were a 31 per cent the same person would have mortgage would have needed an rise in bousing costs because of paid a 23 per cent increase year to maintain its standard of 26 per cent rise in bouse prices; living. This type of family has and a 28 per cent increase in been hardest hit by rising prices national insurance contributions.

of family, produced by Reward Regional Surveys. It would bave neded a 9.1 per cent income increase to maintain its standard of living, or an income of £4,143 to buy the same goods and services as a year earlier.

18 per cent rise in income last higher mortgage repayments; a in national insurance

Although there had been A family with a council house some bright periods last year, would bave suffered least says as in early-1975, the pendulum the analysis of eight categories had swung back to "doom and

receiving enough extra gross pay to cover the rises, had to The average for all groups pay to cover the rises, had to showed that income had to rise meet an 81 per cent increase in by 141 per cent last year to taxes, more than double the

The survey comments: "In the coming year, a 'no change' Budget would rapidly raise the deductions for the average earner to 25 per cent and over. Tax cuts have therefore got to overcome this effect."

groom and would stay there until the Government made significant tax cuts.

While prices bad risen 4 per cent in the last four months, a person on average earnings

UK Regional Cost of Living Report: Regional Reword Surveys, 1. Mill Street, Stone,

#### Tourist authority warns on spending

BY MAURICE SAMUELSON

UK's regional tourist bodies.

"Over-the-counter sales to

the authority says manufac foreign visitors of British-made turers and distributive trades goods are constituting an inshould be more responsive to creasingly significant part of St. James's the impact of 12m high-spend-total output, and the fortunes 1NF; £1.25.

PRODUCT OFF THE

GROUND!

WHAT I NEED IS AN EXCITING

INCENTIVE TO GET THIS NEW

BRITAIN'S spending on marketing tourist attractions is "dangerously low" and could lead to problems similar to those of some big manufacturing industries, the British Tourist Authority warns today.

In a joint report with the UK's regional tourist bodies in local demand, "Overthe countries on retail of many a Yorkshire or Lancashire factory now depend on the number of tourists attracted to Britain," the report says.

By 1985. growing tourism could add another 250,000 jobs to the present 1½m in tourism and related industries.

Tourism in Britain - Into the 1980s: The Broad Perspective; British Tourist Authority; 64, St. James's St.; London SW1A

## Malt Scotch whisky output rises

by 46.5%

By Our Consumer Affairs Correspondent MALT SCOTCH whisky in-

creased sharply in popularity last year with production up by 46.5 per cent on the year before compared with an increase of just over a quarter for the whisky industry as a whole.

Provisional trade statistics show that the output of malt whisky last year reached 96.7m proof gallons. As a result malt whisky output edged just ahead of that of grain whisky, whose produc-tion rose by only 12.5 per cent

Total Scotch whisky output in 1978 was up by 27.3 per cent to just over 193m gallons. In the last three months of 1978, however, grain whisky production rose slightly faster than that of malt whisky, though within the trade it is

suggested that this position may be reversed when production figures are revised, as is normal, by the Customs and Excise. The sharp rise in malt whisky

output reflects growing con-sumer demand, although there is industry concern that

# **Crown Agents inquiry** queries loan facts

vided by the Crown Agents, bas drawn comment from a member of the tribunal investigating the Agents' affairs.

Mr. Sidney Davidson, a London solicitor and former man-aging director of Sterling Industrial Securites, a secondary bank in which the Crown Agents had an equity interest, told the tribunal last week that he bor-rowed the money from Big City in February, 1974, "to repay the debt and interest" to a bank.

Earlier, Mr. Sidney Finley, a non-executive director of Sterling, which controlled the Big City group, had said Mr. Davidson had indicated he wanted to use the funds to pay for his share of a rights issue which Sterling planoed to make in June. 1974.

money found its way into the pockets of some directors of Sterling, notably Mr. Davidson, Mr. Finley and Mr. Bernard Wheatley, the Crown Agents' nominee on the Sterling Boards

Sir William Slimmings, a there may be a surplus of member of the tribunal, pointed malt whisky like that of grain whisky in the late 1960s. member of the tribunal, pointed out the "very wide gap" between the two witnesses' versions.

"A VERY wide gap" between "One is saying: I want to two versions of why a subsidiary repay a bank.' The other is sayof Big City Finance made a mg: 'For a rights issue'.".

### Comparison of the comparison of th

Mr. Davidson attributed the discrepancy to "a difference of recollections

He, Mr. Finley and the Crown Agents had equol sbares in Sterling and the Crown Agents was a significant lender to the group. The Fay Report, which examined the circumstances leading the Agents to request financial assistance from the Government in 1974, said the Agents lost about £10m through involvement with Sterling.

Mr. Davidson and Mr. Finley did not give evidence to the Fay Committee. Mr. Finley at the time faced charges of corrup-The Committee said that Mr. Davidson did "not see ht to either answer our letters or respond to our telephoned

messages. The £250,000 lent to Mr. The funds were part of a Davidson was due to be repaid £750,000 loan made by the on June 30, 1974. In his cvi-Agents to Big City. Mr. Robert dence last week he said he inaGtebouse, QC, counsel for the tended to repay by selling other tribunal, said that much of the investments, but the sale did no: go through and in June the loan was renewed.

Mr. Peter Scott, QC, for the tribunal, asked Mr. Davidson if "when you reborrowed the money at the end of June, you knew there was no realistic propect of heing able to repay that money in six months' time?" Mr. Davidson replied: "Yes."

# Private sector 'poised for steel upturn'

BY ROY HODSON

Corporation to take advantage to a steel industry sector comfortably in excess of their analysis.

The private sector companies quickly than British Steel, says

of once every 17 weeks.
Private sector companies all made better use of their assets. to the most profitable private British Steel was at the bottom sector companies is a fairly fast of the leagne of British steel- turnover of stocks.

PRIVATE sector steelmakers makers in terms of assets are in a better position than utilisation, generating only £6 the state-owned Britisb Steel of sales annually for every £10 investment in assets. The best of an improvement in the inter-national steel market, according year managed to achieve sales

asset values. The 10 most profitable private are expected to benefit from a sector steelmakers in terms of rise in steel demand more quickly than British Steel says

Brymbo Steel Works, a subthe report from Inter Company sidlary of GRN now being comparisons. Several factors are expected to contribute.

Stocks of steel in the British Bruntons (Musselburgb) (16.6 Stocks of steel in the British private sector works are being turned over more quickly than in the British Steel works. Reviewing the past three years the report says that private sector steelmakers' stocks were private sector steelmakers' stocks were steelmakers' stocks being turned over approximately Barworth Flockton (10.8 per once every 13 weeks compared cent); Ductile Steels (9.3 per with the British Steel average cent) and Firsteel (9.1 per

MANCHESTER POLYTECHNIC equipment.
and General Engineering (Radcliffe), the cable-making machiannual sale nery group, are to link under the Teaching Company scheme being promoted by the Department of Industry.

The scheme aims to bring industry and academic institutions closely together by giving post-graduate atudents the chance to work on a contract basis within companies. In this way, it is hoped academic departments can learn more about the way industry func-

Manchester Polytechnic will receive a £14ā,000 grant over three years from the Science Research Council and the Department of Industry which will be used to employ a small

number of post-graduates as Teaching Company associates. They will be paid about £5,000 and spend up to three years at General Engineering, becoming involved in all the group's activities including polymer cable - making machinery, tory should vacuum plant and control of this year.

General Engineering has annual sales of about £10m, of which more than £6m comes move to other companies, but several are expected to be offered executive jobs with General Engineering.

grave Road, Leicester. It will also rebuild and en activities including polymer large part of the existing fac-engineering, computer applica-tion and the manufacture of sq.ft. The new gear-cutting fac-cable - making machinery, tory should be ready by the end

# Car prices rise sharply

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT THE SHARP increase in prices value of turnover rose 25 per of new cars and commercial vehicles is reflected in Departprevious year. ment of indsutry statistics giving the turnover of the motor

trades last year. The value of new vehicle sales jumped 37 per cent compared with 1977. This was well above the 20.3 per cent increase in car registrations and the 13.8 per cent rise in commercial vehicle registrations.

cent in 1978, compared with the

However, the turnover in the rest of the motor trade business -taking in sales of petrol, oil, tyres, spares, accessories and receipts from servicing and repairs—showed a more modest 12 per cent rise last year against

As a result, turnover of the vehicle prices were total motor trades in 1978 was almost keeping pace and the 23 per cent higher than in 1977.

#### Retired directors to give advice

BY RAY PERMAN, SCOTTISH CORRESPONDENT Scottisb Development in manufacturing, marketing,

retired businessmen with a total of 200 years' experience of running small companies to give advice to new husinesses.

Sir William Gray, chairman, said that the small business advice to new husinesses.

The agency's small business division had more than 250 applicants for the part-time posts, which involve counselling

Agency has recruited eight finance and other areas. The retired businessmen with a total service will be chargeable and is an extension of the full-time

division had lent £1.6m and estimated that this year it would make more than 10,000 calls on

# Polytechnic given grant for in-company training

BY RHYS DAVID

from exports to Western and Eastern Europe, North America, Australia, Africa and the Middle East. The company also bas subsidiaries in the U.S., West Germany, Italy, and France, and these will be visited by the associates as part of international marketing projects. At the end of their contracts, the associates will be free to

**Spencer Gears** expansion

SPENCER GEARS is to spend f2m on building a 20,000 sq ft factory next to its works in Sul-

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**Feedstock** 

rebound on

ESSOCHEM EUROPE said

yesterday that its aliphatic sol-

vents business was being seriously affected by recent "staggering" increases in spot prices for naphtha and other

chemical feedstocks.
Although it raised prices of

some solvents this year, the rises covered less than half the

Aliphatic solvents are used

chiefly in paint-making the extraction of edible oils from

seeds and nuts; and the manufacture of adhesives, polithes, printlng inks and cleaning sol-

vents. They are produced from

naphtha, kerosene and gas nil. Since the heginning of this year

spot prices for naphtha have risen from \$190 (£95) a fonce to

\$285 (£142), kerosene from \$190 to \$320, and gas oil from \$180 to

Essochem Europe, which bas between a fifth and a quarter of Western Europe's aliphatic

solvents market of 2m tonnes

increase in feedstock costs.

solvents

costs

# Vast growth reported by leasing industry

industry vesterday.

New business bandled by

members of the Equipment Leasing Association during the year amounted to £1.2bn, a rise of about 80 per cent on the £675m of new assets required

However, the association—which represents about fourfifths of total UK leasing comprising mainly the leasing sub-sidiaries of banks, merchant banks and finance houses—took on new members during 1978 and therefore estimates the net increase at 67 per cent.

to show growth at current prices of nearly 20 per cent.

Leasing has become increasingly popular because of the 100 per cent capital allowances which lessors are able to claim

Plea to end

stamp duty

STAMP DUTY on bouse purchase transactions should be

ended, the Building Societies

Association has told the Chancellor of the Exchequer.

it repeated its view that such a

tax on house purchase was inherently undesirable and should be abolished.

the present stamp duty thres-hold of £15,000 was introduced

in 1974, only 16 per cent of homes mortgages to societies

By the third quarter of 1978,

however, the proportion bad risen to 43 per cent and was

now, the association believed,

nearly half. Because of the effec-

tive reduction in the thresbold, stamp duty paid by owner-occupiers had tripled since 1974.

The duty is progressive. A

20 per cent increase in house value from one threshold point (£19,000) to another (£23,000)

means a 242 per cent rise in stamp duty payable, from £95

Stamp duty revenue to the Government has risen from

£32m in 1974 to an estimated

ldentical house in Yorksbire

would attract no duty.
Under the scheme for assist-

ing first-time purchasers, a

borrower might expect a Government bonus of up to

£110 but be liable for stamp

If the duty could not be abolished, it should be levied at a single rate and the threshold

for its imposition should be

indexed so that the Government was not able, through inflation,

association says, it would have to be raised to £25,000.

**Managers** 

incentives

LOWER personal taxation and a shift to indirect taxation were

the only ways to get the country

"back to the work ethic," the British Institute of Management

told the Chancellor vesterday.

Unveiling its pre-budget proposals, the Institute rejected

an overall cut in the amount of

said, should continue the trend

towards indirect taxatlon as a

way of restoring incentives for

The Institute's package, described by Mr. Leslie Tolley, chairman, as neutral and non-

political, also urged the indexa-

tion of personal allowances and

of higher rate thresholds and

bands. Tha value of specific

excise duties should be main-

tained. Basic income tax should

be cut from 33 per cent to 30

per cent and top marginal tax

rates from 83 per cent to 75 per

Mr. Tolley called for lower

public spending, with cuts

efficient running of public

lation of capital projects,

on cash limits, it would have to find some £1.25bn to finance the tax cuts. This could come from

Higher VAT would increase

the cost of living, but Mr. Tolicy said this would be offset

higher value added tax

rather than cancel-

from

skill and responsibility.

revenue. The Government, i

call for

duty of £85.

because of employment.

cost more than that.

The association says that when

In pre-budget representations

for home

buyers

By Michael Cassell

in 1977, mostly to commedcial fleet operators.

Mr. Tom Clark, the association chairman, pointed out that 1978 was the first full year since the relaxation of hiring controls which bad severely restricted leasing cars for business purposes.

The association estimates that leasing accounts for at least 12 per cent of the business car market in the UK

All sectors where association members are active showed an In the same period, UK improvement during 1978. Comcapital investment is expected puter and office equipment assets puter and office equipment assets acquired during the year amounted to £240m (£164m); plant and machinery assets in the same period were worth £250m (£198m); while new ships and aircraft, in some cases and pass on to their customers. reflecting orders placed prior to real terms in 1979.

The biggest growth area dur
1978 came to £158m (£108m).

Lex—Back [1988]

HUGE GROWTH in leasing last ing 1978 was motor cars where Growth In the computer and year was reported by the purchases for lease last year commercial vebicles sectors, industry yesterday.

totalled £343m; against £57m said Mr. Clark, reflects increasing interest by small companies He added that leasing now

acounted for roughly 9 per cent of all capital investment in plant and equipment in the UK. compared with 5.5 per cent in Leased assets owned by

members of the association at the end of 1978 amounted to £3.4bn (at cost), 43 per cent more than the total at the end of 1977. These figures compare with a mere £516m at the end

of 1972. ... Looking ahead, Mr. Clark aaid uncertainties would give rise to some cuts in manufacturing investment this year. On the other hand, leasing companies existing commitments and current inquiries are such that expenditure on leased assets is likely to be significantly up in

# **Construction orders** up sharply last year

BY MICHAEL CASSELL

CONSTRUCTION INDUSTRY more than in December, 1977, orders last year rose sharply The Department says that over the previous 12 months. according to Government provi-

sional figures.
The Department of Environment estimates that the industry obtained new work worth £9.04bn at present prices against £7.29bn in the previous 12 months: a rise of 9 per cent in constant (1975) price terms. Last year represented the most buoyant period for construction since 1972-73, the Work carried out was worth contracts taken on rose by a an estimated 6 per cent more, quarter, balf repair and improvement. Further growth in output in rather than new building. This

growth. New orders to contractors in December were valued at £630m in constant prices, the Depart-ment says, a fall of £108m from the previous month but £44m fall further.

year output may show no

new contracts for public-sector housing in 1978 were 6 per cent lower than in the previous 12 months. Private housing orders were worth 19 per cent more. Public works orders over the

year as a whole increased by 2 per cent and orders for pri-vate industrial contracting work showed a significant improvement, 10 per cent, over 1977. Private commercial orders to contractors rose even more.

Further growth in output in most main sectors, with the prominent exception of bousing, is forecast for this year, although the rate of increase might be only balf last year's level.
Housing output in public and private sectors is expected to

Builders' merchants sales rise by nearly 10%

FINANCIAL TIMES REPORTER BUILDERS' MERCHANTS' sales Moore said yesterday in its

The federation, which claims other housing sectors and beto represent 95 per cent of mercause its cost is particularly high chants, says that December for people forced to move bomes | sales were nearly 2 per cent up on the same period a year earlier, although some regions recorded a decrease in business. typical first-time buyer in Greater London may expect to notably in the North-East, where pay as much as £90 duty alsales fell by nearly 16 per cent. though the purchase of an

Mr. Reg Williams, director of the federation, sald that sales in the year as a whole pulled slightly ahead of the poor 1977 performance to show a "satisfactory improvement." The brokers Buckmaster and

The societies have told the Chancellor that the tax is unfair because it is levied on owner.

Of materials rose by just under review of the building materials 10 per cent last year, says-the market that demand for most Builders Merchants' Federation.

Builders Merchants' Federation the next two years than recent the next two years than recent. studies bad suggested. Material producers'

margins improved generally in 1978 as demand picked np and price rises were sanctioned by the Price Commission, but with the prospect of flat to declining sales and more vigorous controls by the Commission, profits would be under "some pressure" in the immediate

The. "dull prospects ahead were likely to be compounded by failure of several unquoted small companies,

## Shell plans to sell tyres

over the next three years a netto increase tax rates without specific Parliamentary approval.

To return the threshold to the 1974 level in real terms, the prove successful.

To be known as "Superdrive Tyre and Battery Centres," they will operate battery and "while you wait" tyre replacement services for motorists, and will be located in main shopping and residential areas.

The company said yesterday, cant share of the tyre husiness each centre will sell a full range which is worth about £300m a of branded tyres at "very com- year.

next few weeks, two more will open at Gravesend, Kent, and Edmonton, North London, followed by several in Scotland. marketing manager, said the company had decided not to produce a Shell branded tyre

SHELL PLANS to establish petitive" prices, as well as Shell over the next three years a net-

brands of batteries. The first centre has already opened in Putney and, over the but boped to capture a signifi-cant share of the tyre husiness

#### Exchange computer BY CHRISTINE MOIR TALISMAN. the Stock

Stock

Exchange's new computerised bargain checking system, will not begin on March 26 as planned. The earliest it can be expected is April 9.

Faults in the programme

during the trial run coold not be put right in time for the main test, to coincide with the opening of the current account last Monday. It will be at least March 5

before the tests can get underway. The faults are not thought important, but are time-consuming to put right. The Stock Exchange Council met yesterday to consider members' views on the new tariffs suggested for Taliman. After the meeting a letter

After the meeting a letter to senior partners of member-firms was drafted.

No details have been announced, but it is thought unlikely that the council will relax its strict accounting policies for writing off Talisman's development costs, the main element in the high charges, at least until the system has been running for

#### Royal's car premiums up again

By Eric Short
ABOUT 500,000 motorists
insured with Royal Insurance
face a second rise in their premiums within a 12-month

The company puts up its rates from April 1 by an average of 10 per cent. Most motorists in the last year, which would feed into current rate applications, have worked out at between 4.7 and 9.4 per insured with the company will find their rates rising by only 94 per cent

But premiums in the highest rated areas, Central London, Central Glasgow and Liverpool, will increase by 12 per cent. This rise is only six months after the previous re-rating, when premiums were lifted by

Before that Royal had held its motor premiums steady for 12

Thus motorists renewing policies on or after April 1 will find their premiums affected by two rate revisions.

For example, a 35-year-old motorist living in a large town, driving a Ford Escort and eligible for the maximum noclaims discount on renewing his insurance in April, will find his premium increased from £53 to £62, a rise of 16 per cent.

Motor insurers have found that repair costs have risen so fast and the number of claims has increased so much more than expected that they cannot hold rates steady for a year.
Royal said that this increase

was decided before the adverse winter weather. . Another rate rise later this year could take

#### Attic flask makes top price in sale

By Antony Thorncroft ANTIQUITIES and for a total of £41,862 at Christie's yesterday and Silhouettes, miniatures and objects of vertu fetched £39,763. Best prices for the antiquities were £1,400 for an Attic red and black-figure lekythos, decorated with the figure of Athena, of about Mr. John Baker, Shell's tyre 470 BC and £1,100 for an Egyptian bronze figure of Isis or Hathor, XXVIth Dynasty. In the objects of vertu a Viennese unglazed porcelain model of a fully rigged 17-gun man-of-war from the early 19th century realised £1,100.

# More than 16% of science budget for Europe projects

BY DAVID FISHLOCK, SCIENCE EDITOR

BRITAIN is contributing £43m a year, over 16 par cent of her science budget, to international research collaboration, nearly all of which is based in Europe. This is disclosed in the annual report of the Advisory Board for the Research Councils,

national science vote. The research councils are expected to spend £260m this

which advises the Secretary for

Science on distribution of the

Prof. Sir Frederick Stewart. chairman of the board, introducing his report, urges the Government to plan for a period of sustained "real growth" for the science budget.
His board "believes this to be essential for the future pros-

If the Government stood firm | perity of the country. The report claims that there are a great many opportunities for scientific developments in areas of potential economic and

social benefit. It cites exploiting of marine resources, other than oil and by the henefits of restoring gas; application of microelectronics and microprocessors;

BRITAIN'S OYERSEAS SCIENCE PAYMENTS 1978-79 European Organisation for Nuclear Research (CERN)

European Space Agency Institut Laue — Langevin European Incoherent Scatter Facility **NATO Scientific Schemes** European Molecular Biology Laboratory Angio-Australian Telescope International Agency for Research on Cancer European Molecular Biology Conference

TOTAL

4277

the 1980s"; and satellites.

which used more of the solar by Lord Rothschild .

energy they receive.

In meteorology, a greater growth rate should be sustained understanding of ocean cir- at not less than 4 per cent a culation and complexities of air- year "in real terms." climatic change.

laser technology, "which could in real terms reached a peak of have industrial implications in about 13 per cent in 1966-67, e 1980s"; and satellites. and fell to 4 per cent by 1972-78.

Crop yields, it says, would be In the following year, large pushed higher if basic under- parts of the science vote were standing of photosynthesis made the responsibility of in-could be enhanced and applied dividual Government departto development of new strains ments under a formula proposed

sea interaction would belp Third Report of the Advisory understanding of processes of Board for the Research Coun-

cils 1976-1978, Command 7467, Growth of the science budget SO, 70p.

# Delay on British Rail to be a year late with 150 mph train

BY IAN HARGREAVES, TRANSPORT CORRESPONDENT

The latest blow to the £25m project has been dealt this week by drivers in the railway's Scottish region, where men are refusing to operate the train on trials as part of industrial action over their pay dispute with British Rail.

The advanced passenger train, widely regarded as a breakthrough in highmajor speed railway technology, has been dogged by labour and technical problems throughout its construction at British Rail's engineering workshops in

Derby. Workshop staff have demanded special rates and

advanced passenger train is un- and extrusion processes in-likely to enter regular service volved, and staff required to until next spring, a year later operate evaluation equipment than planned. on the prototype have also used on the prototype have also used the train as a focus for their

by locomotive drivers to black

ember.

The latest unofficial decision planned train-sets has been com-

the train relates to wider industrial issues as well, After evaluation in acryice, although ASLEF, the train British Rail hopes the Governdrivers' union, also caused sigment will finance a production nificant delays to the introductrum of the electric-powered tion of the 125mph high speed trains as part of a widespread train over the issue of manning electrification of the railway levels for fast trains. Under the existing agreement, two men are required in the cab of any train which exceeds 100 mph. The advanced passenger train, which has a unique tilting

hodyshell arrangement to allow

BRITISH RAIL'S 150 mph conditions for the new welding a 100mph service in May on the London - Glasgow run. By. October, it should have been operating a 125mph service, reducing the journey time from five hours to 41 hours.

pleted and the other twu are ready for assembly. After evaluation in acrvice.

network.

The 20 units per year production programme of the high speed train, which is diesel-powered and based on conventional railway technology, has not been affected by the disputes it to corner at higher speeds, which have held up was due to enter timetables on advanced passenger train.

# Transport users told to shun excessive road haulage rises

TRANSPORT USERS who agree figures for the year to last Dec- In a report on road haulage to unreasonable rate increases by road haullers after the industry's recent 22 per cent wages settlement risk trouble with the Price Commission.

This warning came resterday from the Freight Transport Association, which said its calculations showed that hauliers' price rises. costs would increase by between 7.1 per cent and 9.5 per cent as a result of the settlement. The higher end of the acale

would apply to smaller, box-van vehicles and the lower end to the beaviest articulated lorries.
Other cost increases suffered by hauliers in the last year, which would feed into current

ation in mid-March. out at between 4.7 and 9.4 per This is the outcome of last cent, according to association Friday's meeting of the

The level of haulage charges that hanlage charges should not this year will depend upon indi- go np more than the general rate vidual negotiations, but the asso- of inflation this year. vidual negotiations, but the asso-Some hauliers are talking of ciation warns its members that acceptance of large increases rises in excess of 20 per cent. could result in Price Commission compared with the top rate of resistance to a company's own 14.7 per cent suggested by the price rises.

THE NEW Morpeth inflation accounting proposals are to be Morpeth system was considered rewritten and submitted to in detail for the first time. It Accounting Standards Committee for further consider-

Accounting plan changed

committee, where the revised seems that while there was no strong opposition to publication of the proposals in late April or carly May, there was not much cuthusiasm either.

a vear has increased some solvents prices by up to \$50 a tonne this year. Prices vary greatly, from \$250 a tonne to last year, the Commission said \$500, depending on the type of solvent and the country in which it is sold. Mr. Roger Coppens, Essochem Europe's vice-president

for solvents, said that margins on most aliphatic solvents were "only a fraction of the dramatic increases in feedstock costs we have seen over the last few

Feedstock represented a much higher proportion of costs for aliphatic solvents than most others.
The rise had been caused by

increased demand for petrol, llmitations on light crude from the Middle East, a sbarp reductiun in Russian naphtha exports, and the halting of oil exports

# February MRETE WEST 17.11: 6-9. SOBIE WEST 49,140. EAST ANGLIA 978 | 978 5-0-14-8:

THE RISE in unemployment over the past month has been well above the national average in northern England, Wales and Scotland, writes

Although these are all areas where job prospects bave been particularly hard bit by the exceptionally severe winter weather, the increase reflects a long-standing trend of widening regional differences in unemployment.

Over the past .12 months, for instance, UK adult unemployment has fallen by 3.3 per cent, but the rate in Northern England has England has dropped by only 1 per cent with declines of about 2 per cent in both Wales and Scotland and a rise of 3.2 per cent in Northern Ireland. By contrast imemployment has fallen by 9.7 per cent in South-

East England.

# Jobs threatened by companies squeeze BY PETER RIDDELL, ECONOMICS CORRESPONDENT

THE MAIN threat to employ- is planned in advance. If it is ment in the UK comes from to be significantly reduced durthe prospective finacial squeeze ing a fiscal year action should on industrial and commercial be taken well before the start of companies, according to the latest monetary bulletin from can be crucial." W. Greenwell, the City stock-It was by no means certain that the Cabinet would approve

The only way to relieve this cuts in public expenditure and pressure and minimise the rise the public sector borrowing unemployment is for the requirement. The last time a public sector to reduce its similar debate occurred was in demand for finance, the bulletin the autumn of 1976 after the says: . "The alternative of relax- UK sought to borrow from the ing the financial squeeze by allowing the money supply to exceed its present target range then that the cuts in public would lead to a rise in inflation and, in due course, to an even worse squeeze in real terms and a larger rise in unemployment."

The bulletin notes that the financial part of the expected Government package was brought forward by technical money market influences; but so far no detailed fiscal measures have been announced.

"As far as taxes are concerned there is a case for delaying action "As far as public expenditure is concerned, action is much more urgent. Public expenditure

borrowing proposed by the Fund would make unemployment rise much more rapidly. In the event, unemployment did not do so and within a year bad started to fall. The argument was wrong then and is wrong now."

Brokers Kemp-Gee and Co., in their latest circular, point out that the scale of buying of gilt-edged stock in the past few days, with its consequential impact on the February money supply statistics, is probably enough to ensure that the market keeps above its low level of February

International Monetary Fund.

"Most of the Cabinet argued

expenditure and in public sector

● NEWS ANALYSIS - CLYDESIDE

# Brave bid to turn the tide

BY RAY PERMAN, SCOTTISH CORRESPONDENT

CLYDEBANK District Council employed 23,000; when it com-is mounting an exhibition in pletea its present run-down, the Abenteeism runs at 10 per cent, London next week to try to attract industry and jobs. It is a brave attempt by a local authority with meagre resources to turn back a tide of seemingly relentless industrial disaster. The council could not have been more unfortunate in its timing. Yesterday's news from Goodyear that It was determined to close its plant—just over the municipal boundary in Glasgow, but a big employer for Clyde-

bank-is only one of a series of bitter blows.

Marathon Shipbuilders is to discuss its problems with the Scottish Secretary today and could close its yard within the next few months; and Singer sewing machines is to shed about 2,000 Joha over the next

Disappear

three years.

Altogether, nearly 4,000 johs in the area could disappearbalf of them in the next few months. On top of that, British Shipbuilders' Scotstoun and Yarrow yards, also important local employers, are desperately In need of follow-on orders.

The picture is black, yet it of suicides, on worse than the term "Clyde built" atill cormal bouts of drinking. This implies a pride in the quality once-proud industrial power house bas been declining for a house bas been declining for so long that the inhabitants are immune to bad news. pride has almost dissipated from any other plants.

one-tenth of that number. John Brown'a shipyard, which

built the Cunard "Queens," once employed 14,000; John Brown Englneering Gas Tur-bines, all that is left of the old empire, employs just over 2,000. Recently, the job loss has Recently, the job loss has been accelerating; 2,000 in the Upper Clyde Shipbuilders collapse (1972), 200 with the closure of Guy Ventilationa (1974), 100 in Duncan Low (1975), 150 Exquisite Form (1976), 600 Weir Pumps (1975), 70

100 Stone Manganese (1976), 70 Colin Hunter (1977), 100 Manlove Tullia (1977), 1,000 John Brown Offshore (1977), 600 Beattle's Biscuits (1977), and 100 Goodyear (1977-78). Often, the events which led to these closures and lay-offa were completely outside local control. The world decline in ahiphuilding orders, the rise of

the intensely competitive Far

Eastern engineering industries

and the disappointing shortfall in work from the North Sea oil

industry, have all taken their But in some cases, there bines, Yarrow Shipbuilders or Leyland's Albion Motors, that pride has almost disappeared

nearly twice the rate at the company'a main UK plant at Wolverhampton and three times as high as in the Continental or exceeding their production factories. Productivity is only targets—let alone taking on an 47 per cent of the most efficient West German tyre factory, and the amount of scrap produced is

significantly higher.
The company has been spelling out the fragile economic position of the plant for more than a year, giving the work-force quarterly figures and trying to alert them to the dangers posed by the increaseing penetration of imported tyres.

But to no avail Despite the

backing of shop stewards, the management failed to win tha agreement of the workforce for a package of measures which could have saved the plant and kept redundancies down to 57. . The main sticking point was the proposal to re-introduce the Friday night shift, reluctantly abandoned by the company after an 11 week strike in 1974.

Neither the inducement of £25 extra on average earnings. nor the threat that without the extra sbift overheads could not he reduced to an acceptable level could persuade production workers to give up the best social evening of the week.

Goodyear's style of corporate paternalism — the chairman wrote to each employee as "Dear Goodyearite"—cut no ice with the hard-bitten West of

Part of the trouble was that

Goodyear is a case in point, the company pald more for a 36 hour week than many smaller local businesses did for 40 or 48 hours. The men were not interested in working overtime

extra shift.

But there was also the problem-shared by Singer, which pulled back from its closure threat last month after workers belatedly changed their minds after aimilar rescue measuresthat many of the production workers at Goodycar did not believe the things the company was saying.

#### Cutting

Every call for increased productivity was seen as a play to get more for the same money; every comparison of Scottish manning levels with those in European plants was seen as a threat to jobs; and a proposal to turn the plant over to producing only cross ply tyres as a means of cutting overheads was seen as a threat to the long-term future of the Drumchapel plant,

"They have treated everything we've said to them as a bluff—an attempt to put one over on them," one manager commented. "There has alwaysbeen the feeling that in such a buge U.S. multinational there is bound to be money some where to keep the plant open.

They will have to accept now that we were not bluffs. -the money has run out."

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entives and differe

lest us.

# **Anglo American Coal Corporation Limited**

RESULIS FOR THE TEAM ENDED DECEMBER 31 1316		
The following are the audited consolidated results of the compa- companies for the year ended December 31 1978 together with the	my and its subsidiary e comparative figures	
for the year ended December 31 1977.		

CAD OUTS VEAD EMBED DECEMBED OF 1078

•	for the year ended December 31 1977.	1978 R000°s	1977 R <b>000's</b>
	Turnover	308 444	259 191
	Profit before taxation	87 580	74 699
	Deduct: Taxation — South African Normal — Equalisation	17 479 12 881	7 576 17 050
		30 360	24 626
	Profit after taxation	57 220	50 073
. , .	sidiary companies	4 492	2 778
: :	Profit attributable to shareholders of Ameoal	52 726	47 295
	Dividends declared:		
٠	No. 110 of 24 cents per share declared August 3 1978	5 638	4 698
	No. 111 of 48 cents per share declared February 20 1979	11 276	9 397
•	•	16 914	14 095
· :	Net expenditure on fixed and mining assets	71 611	79 617
٠	Number of shares in issue	23 491 438	23 491 438
	Earnings per share (ceots)	224.50	201.30
:	Dividends per share (cents)	72.00	60.00
	Divideod cover	3.12	3.36
	The annual report will be posted to members on or about March	9 1979.	

Dividend No. 111 of 48 cents per share (1977: 40 cents per share), being the final dividend for the year ended December 31 1978 has been declared payable to members registered in the books of the company at the close of husiness on March 2 1979. This divideod together with the interim dividend No. 110 of 24 cents per above occlared on

August 3 1978 makes a total of 72 cents per sbare (1977:60 cents per share).

The transfer registers and registers of members will be closed from March 3 to 18 1979, both days inclusive, and warrants will be posted from the Johannesburg and United Kingdom offices of the transfer secretaries on or about April 19 1979. Registered share-holders paid from the United Kingdom will receive the United Kingdom currency equivalent on April 10 1979 of the rand value of their dividends, less appropriate taxes. Any such shareholders may, however, elect to be paid in South African currency provided that the request is received at the offices of the company's transfer secretaries in Johannesburg or the United Kingdom on or before March 2 1979. The effective rate of non-resident shareholders' tax is 15 per cent.

The dividend is payable subject to conditions which can be inspected at the head and London offices of the company and also at the offices of the company's transfer secretaries in Johannesburg and the United Kingdom.

ANGLO AMERICAN CORPORATION OF SOUTH AFRICA LIMITED par P. J. Eustace Senior Divisional Secretary

Transfer Secretaries: Registered Office: Consolidated Share Registrars Limited 62 Marsball Street, Johannesburg 2001 (P.O. Box 61051 Marsballtown 2107) 44 Main Street Johannesburg 2001

Charter Consolidated Limited, P.O. Box 102, Charter House Park Street, Ashford, Kent TN24 SEQ February 21 1979

London Office: 40 Holborn Viaduct

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# Cut in railmen's hours 'ruinous' says BR

BY PHILIP BASSETT, LABOUR STAFF

union claims for a shorter working week could be "ruinous" for the railways. A 35-hour week would add at least £145m or 12.5 per cent to the industry's pay bill.

Mr. Cliff Rose, British Railways Board member for industrial relations, urged the Railway Staff National Tribunal at a hearing yesterday to reject the claims.

The train drivers' union ASLEF claimed a reduction to 36 hours based on an eight-hour day and the National Union of Railwaymen and the Transport Salaried Staff Association claimed a 35-hour week. ASLEF and NUR members now work a 40-hour week, and TSSA members 38 hours. Mr. Rose said it was "entirely inappropriate" that the unions should be

claiming a reduction in hours separately from their annual pay claim, which some estimates have put at more than 20 per cent. Pay negotiations on the cisim resume today.

There was no inevitable trend towards a shorter working week. A reduction in hours would be inflationary, and the argument it would reduce unemployment was challengeable. The last reduction in 1966 from 42 hours to 40 hours for rall workers put costs per head up by 6.7 per cent and did not reduce average hours

A cut to 35 hours for blue-collar workers would increase the hourly rate of pay by 14.29 per cent and increase the number of staff needed to cover the present hours worked by the same figure.

The present £675m pay bill for those grades would be increased by £96.5m per year. Staff would earn no more on average, but staff numbers would increase by 22,000. For salaried staff, a reduction to 35 hours would increase

the hourly rate of pay and required staff numbers by 8.58 per cent.

The additional cost on the present

1311m pay bill would be 125.7m a year, again with no average pay rises but 5,000 more staff. With extra pension and national insurance of about 222m a year the total bill would be at least E123.5m a year or 12.5 per cent.

Rall services, particularly in Sectional and the Narth, were discontinued. yesterday by a maintenance workers' strike in support of a ciaim for pay parity with entside industry. It was the first of a threatened series of

#### Ambulancemen drop strike **Printing** threat plan but action goes on to union iournals AMBULANCE SERVICE dele- conveners who had threatened gates decided yesterday to con- a 24-bour total strike in London

tinue with industrial action but

drew back from the threatened

total withdrawal of services

Representatives of the 55

ambulance services, meeting in

London, agreed that action

should go on "in a co-ordinated

matter in line with the policies

the four unions said that that

would damage rather than help

Mr. Bill Dunn, one of the

BY PHILIP BASSETT, LABOUR STAFF

Civil service strike

THE TUC is keeping in close touch with the National Union of Teachers and the National Union of Journalists over printing dispute which is threatening to disrupt produc-tion of the two unions' journals.

of the trade unions."
Official union leaders oppose withdrawal of emergency services. General secretaries of The NUT and tha NUJ have ecently transferred the printing of their journals but local. chapels (branches) of a third union, the National Graphical Association, bave told the two unions that as a result they are not prepared to print the journals, but so far no reason has been given.

Both journals were produced at the Milton Keynes Web Offset company. That company, however, is partly owned by the Irish Independent Newspaper Group which controls the Strat ford Express Group of newspapars, currently in dispute with the NUJ.

#### Dispute

The NUJ has moved the rinting of its journal from Milton Keynes to the Derhy Trader company, where it was formally produced, because of the dispute over Stratford Express Group rationalisation plans. It has also placed pickets

outside the Milton Keynes Com-NUT journal have been refusing to cross these and as a result the last few editions of their paper has been pro-duced with no editorial

paign" to blame his members

for the Haverton Hill, Teeside,

mated Union of Engineering

yard closure.

BRITAIN'S two largest civil service unions confirmed yesterday that their one-day strike on Friday would go ahead, in spite of the Government's agreement would go shead.

The CPSA said it would be to negotiate a pay settlement based on the findings of a Pay Research Unit comparability

Lord Peart, the Lord Privy Seal, who put the offer to all the unions last week, said yester-day that he deplored the strike and the programme of selective action called by the Civil and Public Services Association and the Society of Civil and Public Services.

The Civil Service Department. yesterday confirmed the Government's readiness to implement editorial a PRU-based settlement as a staged deal.

Lord Peart's offer.

against British Shipbuilders'

attempts to close the yard at the end of 1978."

Mr. Bill Niven, national "Those people who attempt of the consistent refusal of the industrial officer of the Amalga to link the yard's closure with former private owners to pay.

the recent fight by TASS mem-Workers' TASS section, said the bers at Haverton Hill to prevent in the necessary training of yard bad only remained open proliferation of trade union skilled personnel at any level."

Union 'not to blame' for closure

AN OFFICIAL of the largest this long because all Confed-

shiphuilding staff union bas eration of Shiphuilding and attacked "a squalid press campaign" to blame his members in the forefront — "fought

Both made it clear that questions of ready money, length of staging, and future civil service pay settlements had to be answered and so the strikes

and elsewhere said that some

stewards had suggested postpon-

ing the proposed action for a

week to give ambulancemen

time to consider a new pay offar.

might act.
The offer to the ambulance

crews resembles that to local-

anthority manual workers: 9 per

cent on basic rates and a com-parability study that might

provide more money in Angust.

about two to one, a resolution

welcoming the Government's

The 200 delegates adopted by

That should lift the worst of the threat to emergency services, although some stations

prepared to suspend its selective strikes for consultation with its members if any "practical pro-posals" emerged from the Government. The action of the two unions is seen as precipitate by some of the other civil serunions. Mr. William McCall, general secretary of the third-largest union, the Institution of Professional Civil Servants, said: "We consider, militant action now will hinder rather than help negotiations."

General secretaries of all the The NUT then switched the Both unions involved in unions representing 600,000 printing of its journal to the Friday's strike by 285,000 civil white-collar civil servants met Derby Trader. Although servants, which will affect commaterial is being set for this week's edition, the union unterstood yesterday that at the moment its printing would be payments, Customs and Excise and other jobs, held executive meetings yesterday to discuss the payments of the Pay yesterday and decided to coning 26-36 per cent.

builders are either ignorant or

fact that there is a sbortage of

skilled technical workers in

British Shiphuilders is a result

adequate salarles and to invest

in the necessary training of

dishonest," he said. Mr. Niven added:

#### Closed shop sacking case

decision to set up a pay inquiry.

They affirmed full support for

the trade union claim that pay

and conditions in the ambulance

service must be improved to

recognise the "skills and stress"

of the work and to compare it with the other emergency

Union officials bope cautionsly that, if the local authority

manual workers' negotiations, which resume today, succeed, the

bility inquiry for the ambulance service to cover pay, structure

ambulance

dispute will

and training the Union leaders bope that they strike.

THE CASE of a 57-year-old council worker sacked after 22 years' service because he refused to join a union will be heard at an industrial tribunal in Norwich today.

Mr. Harold Borrott, a haths attendant, refused to join the council approved a closed shop. in the freedom of the individual. I and he prepared to seek office.

## Bishop urges union activity

will emerge from to day's talks with the local-authority em-ployers with an offer that they can recommend to the manual

In addition to the 9 per cent

offer and proposals for an in-

quiry to-day's talks will cover

scheme that emerged when union

leaders and employers met Min

Parents in the London Borough of Haringey bave started court action against the council in an

attempt to re-open almost 100 schools in the area that have been

closed for more than a month in

the Council manual workers

isters on Monday.

the scope for a productivity

CHRISTIANS should be prepared to seek naion office, the Bishop of Worcester said at the Church of England's general synod in London yesterday.

The Rt. Rev. Robin Woods sald the present wave of indus-National Union of Public trial disputes had dismayed and Employees when Norwich city perplexed many people and hurt many more. He said Christians. agreement. He said he believed should attend union meetings

#### APPOINTMENTS.

# Hawker Siddeley strengthens board

group of companies has appointed Sir Rowland Wright and Mr. Quinton Hazell as nonexecutive directors. This brings the number of non-executive directors on the Board to fivethe others are Sir Hanry Benson, Lord Greenhill and Lord

Sir Rowland Wright, 63, was chairman of ICI until recently, and is a director of several other companies: Mr. Quinton Hazell, 58, is chairman of the Supra Group, manufacturer of automobile equipment:

The Trade Secretary has appointed Mr. Jeffrey Sterling to the Board of BRITISH AIR-WAYS for three years. Mr. Sterling is Chairman of Tha Town and City Gronp, and of Sterling Guarantee Trust.

The Transport Secretary has reappointed Mr. T. S. Roberts as chairman of the MILFORD HAVEN CONSERVANCY BOARD for a further three-year period. The Transport Secretary has also reappointed Mr. D. V. Driscoll, Mr. R. Engiert and Mr. A. Holden, and appointed Mr. H. W. H. Williams of Dyfed County Council as members of tha Conservancy Board. Mr. Williams replaces Mr. O. G. John. Tha appointments are all for three years.

Mr. A. W. O'Neill has been appointed manager corporate planning department, ESSO PETROLEUM He will be responsibla for forecasting energy supply and demand, and general economic development. He became technical manager, Esso Research Centre, in 1974 and moved to head office as contracts and materials manager two years ago.

Mr. Julian Martin Smith, senior partner, and Sir Peter Vanneck will be retiring from the partnership of ROWE AND PITMAN, HURST BROWN on April 10. Mr. A. D. Hurst-Brown will become senior partner from that date. Subject to formal Stock Exchange approval, Mr. D. H. Back and Mr. G. W. Pilkington will also be joining the partnership. The name style of the firm will revert to Rowe & Pitman " on April 10.

Mr. T. M. Edwards and Mr. A. R. Gurka, have been appointed directors of CARRATU.

Mr. Keith Smith has been appointed to the Board of ALLIED CARPETS in the new post of distribution director.

Mr. M. Bleasby has been director of RIZZELL HICKS.

appointed managing director of RACAL COMMUNICATIONS. He

THE HAWKER SIDDELEY company and managing director of its three subsidiary companies, Racal Communications Systems. Racal Communications Equipment and Racal Communications Manufacturing

75. ..

Marin "M. muon lle ,

Communication of the control of the

Attention of the control of the cont

The executive committee of the ISSUING HOUSES ASSOCIA-TION for the current year comprises: Mr. R. D. Broadley, Baring Brothers; Mr. B. H. Buckley, Singer and Friedlander; Mr. D. J. Singer and Friedlander; Mr. D. J.
Ewart, Guinness Mahon; Hou.
T. J. Manners, Lazard Brothers;
Mr. J. M. F. Padovan, County
Bank; Mr. M. J. Richardson,
1CFC Corporate Finance; Mr.
C. H. Sporborg, Hambros Bank;
Mr. M. R. Valentine, S. G. Warburg (incorporating Seligman);
Mr. G. R. Waish, Morgan Grenfell; and Mr. G. G. Williams,
J. Henry Schroder Wagg, Mr.
Williams becomes chairman and
Mr. Walsh deputy chairman.

Mr. R. B. Gale and Mr. Alan Ronald Harris bave been appointed directors of H. CLARK-SON AND CO.

Mr. Walsh deputy chairman.

Mr. David C. L. Gibbs has heen appointed a director of AUSTRA-LIA AND NEW ZEALAND BANKING GROUP following the retirement of Mr. Angus Mackinnon Mr. Gibbs has been an alternate director for the Bank's London-based Board members since 1976. He is chairman and chief executive of Glibs Bright and Company Pty. the Australian subsidiary of the London-based Antony Gibbs

Mr. John V. H. Robins will join the Board of FITCH LOVELL as financial director on April 30.

Mr. Anthony Alcock bas been appointed financial director of DATA RECORDING EQUIP-

Mr. Ron Roy has been appointed husiness travel manager for the BRITISH TOURIST AUTHORITY in the

Mr. John Speake, formerly of the NDT Centre at AERE Harwell, has been appointed to the newly created post of technical manager for PANTA-TRON SYSTEMS.

Mr. Roger Parsons has been appointed managing director of PRIME COMPUTER (UK) a subsidiary of PRIME Computer Inc. based in Framingham, Massachusetts, U.S.A.

Mr. Eric Frye and Mr. L. W. H. Rea bave joined the Board of PETER BROTHERHOOD 45 non-executive directors.

Mr. John L. Langton has been made a director of AMEX BANK

Dr. F. Taylor has been appointed as assistant go RACAL COMMUNICATIONS, He manager of the AUSTRALIAN is also deputy chairman of that NATIONAL LINE,

# ABN opens the route to Vancouver.

On February 21st, Algemene Bank Nederland's Canadian subsidiary opens an office in Vancouver capital of British Columbia. This province is exceptionally rich in natural resources and minerals. It is a world leader in exports of timber, pulp, paper, coal and copper.

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المحكر المانية

# Owen warns of Iran threat to economy

BY JOHN HUNT, PARLIAMENTARY CORRESPONDENT .

THE DANGER to jobs and the atandard of living in the UK as before we sea the full con-a result of the unrest in Iran sequences," he added. "Never-was underlined in the Commons theless, I believe our trading the Foreign Secretary, making his first statement on the situation since the overthrouse of the contraction tion since the overthrow of the

He conceded that perhaps the British Government had made mistakes in assessing the chances of the Shah's survival. But we now had to face up to some of the economic consequences for Britain.

"There are going to be many people whose jobs are going to be put at risk," be warned "There ere going to be many people whose standard of living

is going to be put at risk.

The consequences for oll are going to be felt right around jobs are going to be

During the exchangea, Con-servative MPa expressed feers that the present regime of the Ayatollah Khomeini and his Prime Minister Bazargan would he swept eway and replaced hy a pro-Communist government.

Dr. Owen told them that the bility that arrangements will be made that will not be quite as made that will not be quite as time it looked." was to give support to Dr. Bazargan in the hope that this would bring stability to Iran and prevant some of the consequences which alarmists were

It was in the interests of the Iranian people that the Governthe oil producing countries ment of Dr. Bazargan should ways of mitigating the effects. spread its authority throughout all the territory of Iran.

The Foreigo Secretary said make confident predictions that Britain respected the right about the future but it was of the people of Iran to deter- clear that it would now be more mine their own future. We important than ever to reach a wanted close relations with the comprehensive settlement of the

economy to a near standstill and this was bound to bave aneffect on our exports and on employment within the relevant industries in the UK.

**'Wicked** 

lie'

refuted

"It may be some months States and NATO.

Left-wing Lahour MPs seized the opportunity to criticise the Government for having supplied arms to the Shah. Dr. Owen emphasised, bowever, that the greater part of our trade, in future, would involve civilian goods and services of a kind which Iran would need once oil production and the economy revived.

some orders for military equip-ment might he salvaged. The There are going to

Nevertheless, he hinted that

put at risk.

decisions on arms cancellations had been made by the previous Government of Dr. Bakhtiar, he

dire as at one time it looked,"

The Foreign Secretary said that implications for the world energy market were potentially serious and we were discussing with our Western partners and At the moment, he said, the situation was too uncertain to

retary, wanted to know what strategic reassessment we were this had been discussed extensively with our European col-leagues, who were all con-cerned that oil should have

British citizens still in Iran. The RAF had flown out more than 600 and others had left

Our Defence Correspondent writes: Britain's head of defence sales, Sir Ronald Ellis, and the chief executive of International Military Services, the operating sales agency for abstaining.
the Ministry of Defence, Mr. Robert Maclennan, Under-Michael Cotton, have now arrived back in the UK from Iran—without, it is understood. any clearer ideas of the future of current UK defence deals

with that country.
The contracts, worth more than £1bn and affecting upwards of 20,000 workers, are still subject to suspension by the Iranian Government. Sir Ronald and Mr. Cotton went to Jran just before the fall of Dr. Bahktiar's

government to discuss the

They arrived there just in time to be caught up in the revolution, and, in the subsequent chaos, have been unable to discuss the matter with any responsible Minister in Ayatolloch Khomeini's Islamic

new Government. Arab-Israeli dispute. Revolutionary Government is weeks had brought the Iranian bench, Mr. Francis Pym, Conservative shadow foreign acc- contracts, and while it is hoped that some discussions can be arranged soon, there is no now carrying out with our indication as to when these are European partners, the United likely to take place.

# Political Foot hedges on procedure changes donation option defeated

BY ANDREW TAYLOR

alarmist about the likely outcome.

"I see no signs of Iran, with immense internal problems, was duly defeated yesterday, a wishing in any way to challenge the integrity of the states around it."

There were, at problems A LABOUR backbench move which would have made it more difficult for public companies to make political contributions was duly defeated yesterday, a after it failed to gain the length of the states around it."

Mr. Ian Mikanda Hamiltonian in the length of the states around it."

There were, at problems are the likely outcomes and the likely outcomes and the likely outcomes around it. The likely outcomes around it."

Hamiltonian in the likely outcomes around it. The likely outcomes around

Mr. Ian Mikardo (Lab, Tower Hamlets, Bethnal Green and Bow) bad proposed an amendment to the Companies Bill which would have given shareholders the right to opt out of company political contributions. The amendment was defeated

the standing committee hy seven votes to three, with Government supporters

Secretary for Prices and which sets up the scheme for and in Eire, special tax relief Consumer Protection, asid that payments to authors—the was also in operation. the Government approved of the sentiments behind the move but the wording of this particular amendment was inappropriate.
Mr. Mikardo said later that be recognised that there were Minister for the Arts, com-several faults with the drafting plained that administration

or ms amendment but be hoped costs under the Government's the issue would be raised again. Public Leoding Right Bill were when the Companies Bill estimated at £600,000 a year.

"At this time the companies of the costs under the Government's when the Companies Bill estimated at £600,000 a year.

"At this time the costs under the Government's when the Companies Bill estimated at £600,000 a year. However, it seems doubtful ment expenditure is already whether the Government would running at thousands of millions want to pursue the matter at beyond the revenue of the

BY ROBIN REEVES, WELSH CORRESPONDENT

Wales have created a nation of picture emerges:

PLR quango plan withdrawn

of Commons should wait until the House of Commons.

As expected, be came out ing from the EEC.

some of the shift in the balance procedure committee.

ment of 12 select committees to "shadow" every major Department of State — one of the key proposals mede by the all-party House of Commons select committee of the present Parliament.

This brought him under fire

mittee oo procedure. from MPs oo both sidea of the But Mr. Foot accepted other House who favour an early

that action is needed to redress major reforms proposed by the

after the coming general elec-

strongly against the establish-

appointment of a registrar and

taxes, we really ought not to

THE mountains and valleys of by-county basis, the following leading the umbrella No

TORY PEERS questioned in the Lords yesterday the need for a Lord Eccles suggested finding Lords yesierday the need for a new "quango" to administer to administer a better way of doing something the proposed Public Leoding more satisfactory for authors. Right acbeme for authors.

He pointed out that in France authors did not have to pay bld to remove from the Bill- National Health contributions,

But even in those areas, Mr.

He urged the Government to staff to run it and the Bill try to devise a more sensible ended its committee stage with- scheme which would give authors more money end not Viscount Eccles, former Tory create one more quango. linister for the Arts, com- Author and television writer

Lord Willis (Lab) said the higgest quengo of all was the House of Lorda. "We are all bere by virtue of patronage," he said. He admitted thet the new

scheme would be expensive to administer. But it had to be administered

Varying degrees of Welshness in Wales

would have to he launched by a "navigator"-a registrar. From the Opposition front bench, Lord Gowrie said it wea time the Bill was on the Statute hook so that the acheme could be acrutinised in action at the earliest possible date.

hy some organisation end lt

Government to give the House

While the finel decision must

be left to the House, he

promised that in the first

session of the new Parliament

the Conservative government

would bring forward "positive, constructive, and helpful pro-posels," based on the procedure

Mr. Foot had to contend with

committee's report.

He acknowledged the need the chance to decide "at the

commons of legislation emanating from the EEC.

But even in those areas, Mr. government will."

matter then, after the general election, the Conservative government will."

was fully justified. kind and we don't think it could

be adequately replaced from bureaucrats.
within the Department."

When La He added that the scheme on which the whole system would operate hed been the result of six years investigation and was

be decently carried out.

the only way in which it could

DECISIONS on mejor reforms easier for governments to over- the Conservative ahadow leader Lobour backbenches as well : in the procedures of the House come the checks exercised by of the House, called on the from Tory MPs when he explained the reasons for ha belief that major changes 11 tion so that they can be taken to atrengthan Parliementary at the start of a new Parliament, control over public expenditure

Mr. Michael Foot, the Leader of and endorsed the demand for the House, maintained last greater cootrol by the House of ment cannot teke action in this the procedures of the House of the procedures of the proced

Then, he stressed, the deci sion would be made by those who had to live with the result But he suggested that so fat reaching were some of the proposals niede by the procedure should not depend on a single

vote. A series of votes, akin to the decisions taken at the differen stages of the passage of a Bil through Parliament, would be more appropriate, he suggested

With support from some hackbenchers. Labour Kenneth Baker (C. St. Maryle bone) argued that the existing House was better qualified to resulting from the general election would not contain so many MPs so well versed in Parlia mentary procedure.

But Mr. Foot held to his view sion to be made would be at the start of a new Parliament.

In resisting the proposal thal Government apokesman Lord 12 select committees should be Donaldsnn of Kingshridge cstablished to "shadow" every defended the body, saying it major department of state. Mr. Foot warned that in practice "It is a new quango, it is a this was unlikely to prove an quango of an extremely limited effective means of exercising greater control over the

When Labour backbenchers scoffed at his insistence that Ministers were best equipped to with bureaucrats, he warned: "My guess is that severel of the top civil servants will favour this proposal."

# jobs package

William Whitelaw yesterday denounced as "a wicked and frightening lie" Labour claims that a Conservative Government would repatriate members of Britain's ethnie

minorities. Mr. Whitelaw was speaking at the inaugural meeting of the Anglo-West Indian Conservative Society at the party's Central Office. The new society already has

400 members and is growing fast, claim tts officers. Mr. Whitelaw said: "Labour spokesmen should remember how meaningless and damaging this term 'repatriation' ts. Many members of the West

actually morn bere. "We will never send our citizens away. He said the Conservatives wanted to remove forever the label "immigrant" hanging over ethnic minorities and have them accepted for what

Indian Community

they were—full British citizens. "That is why, in redefining the British nationality law as we shall, we will ensure that onr legislation does not adversely affect the rights of anyone permanently settled

CIVIL and criminal business in Scotland's courts may be suspended if court officers go ahead with a strike planned for Friday, Scottish Secretary Mr. Bruce Milian told the Commons yesterday. He Mr. Bruce Milian told the Commons yesterday. He described the threatened action as "utterly deplorable" and said the Lord Advocate was already taking steps in cut the amount of criminal work coming before the courts after Friday.

NORTHERN IRELAND emergency legislation is to be the subject of a detailed study by the Government's Human Rights Commission, Northern Ireland Secretary, Mr. Roy Mason, said yesterday.

He was announcing publicatinn of the fourth report of the Standing Advisory Commission on Human Rights. There is also to be a follow-up to the commission's study of the need for a Bill of Rights in the province.

A COLLECTION of historic papers on the first Duke of Wellington's military, diplomatic, and political career has been accepted by the Treasury in lieu of estate duty, Treasury Minister Denzil Davies sald yesterday in a Commons written reply. The National Land Fund had borne the total cost of £372,600.

TV RENTAL increases for about 140,000 customers are to be cancelled. Prices Minister. Mr. John Fraser, announced yesterday. Amounts overpaid hecause of the increases, which over-rode the hirers' contractual rights, would be credited to them, he told Mr. Alan McKay (Lab., Penistone) in a Commons written reply.

**Booth announces** 

sidies are to be replaced by a short-time working scheme and a new labour subsidy linked to wage levels is being considered

for some private firms in difficulties. The Youth Opportunities Programme, the Special Temporary Employment Programme for long term unemployed and the Community Industry Scheme for jobless youngsters are also

be expanded, he said. Mrs. Margaret Thatcher, the Tory leader, warned in the closed shop, picketing and Commons yesterday that the secret ballots.

with Fsank Chappel that, in the Mr. James Prior, shadow poblic aector, everyose knows employment secretary, chalthere is gross overmanning. And lenged him to accept the advice poblic aector, everyoge knows if so, do you accept that the only way to meet increased pay claims is by job-shedding?"
Mr. Callaghan replied simply

that it was not his responsibillty to answer for the views of any trade union leaderhowever "eminent" or "colour-

of the Government's new pay agreements on the basis of policy appeared to he the what has been done between the Government and the TUC."

moving back to the centre in

politics and not to the far Left,

Mrs. Shirley Williams. Educa-tion Secretary, said yesterday. She made the claim when she

Association lnnch in London

failed to notice the extent to which there has been a very con-

siderable shift in power in

unions," Mrs. Williams said.

Countryside Bill as a "step in the right direction" but sug-

gested a series of improvements

Amalgamated

BY PAUL TAYLOR

Union

Engineering Workers, had far Left."

appointed that the opportunity public paths.

is not being taken to implement other recommendations."

In particular, the Commission free.

Williams notices a

BRITISH TRADE unions were elected as its president and

explained to the Foreign Press dates associated with the far Association lunch in London Left and was not the only union

wby, as a social democrat, she to do so.
was not politically "dead." Mrs. Williams told the foreign

respect of our major trade Left.
unions." Mrs. Williams said. "They are not. They are mov-

union in the country, the It is only a small handful of

THE Countryside Commission calls for amendments to give yesterday welcomed the pro- itself greater involvement in the visions of the Government's procedure for making moorland

to the proposed legislation. adoption of an alternative ln a report on the Bill, the clause to deal with the problem

Commission said it was "dis- of bulls in fields crossed by

**Countryside criticisms** 

She said the second largest ing clearly back to the centre,

"I think many people have journalists that if they studied

swing to centre

A NEW package of measures to Mrs. Thatcher asked the reduce the jobless total—still Prime Minister whether his running at more than 1,450,000 definition would include simiwas announced in the Comlar manning levels, similar lity, radio and television, are all tion.

Booth, Employment Secretary, similar entitlement to inflationTemporary Employment Subproof bensions?

Communications, greater monility, radio and television, are all tion.

Clwyd's remoteness from north and south halves of Wales
much closer together in recent linked by a daily air service)

Mr. Callaghan told her that years. any body set up to examine the question of comparability in the future would have "an agreed set of criteria."

The three aspects Mrs. Thatcher had mentioned would clearly be included among the criteria hecause they were all important aspects.

all-party legislation on

shedding."

Mrs. Thatcher asked the Prime Minister: "Do you agree with Frank Chappel that, in the Mr. James Prior. shadow

of Mrs. Thatcher. Mr. Callaghan should "back up the start the TUC bas made by putting some teeth into itby supporting all-party legislation on the closed shop, picket-ing and secret ballots." The Prime Minister said he

ful." he might be.

Earlier, Mrs. Thatcher asked had said about all-party talka. 
what Mr. Callaghan's definition "Of course, it would be very comparability" was, as part useful if we could have all-party

general secretary, two of the

best-known Labour moderates in

The union hed rejected candi-

the country, Mr. Terry Duffy and Mr. John Boyd.

the structura of unions they

woold find that it was not true

that unions were moving to the

unions now which represent the

conservation orders, statutory

recognition of the term "national park authority" and

Countryside Bill: comments

by the Countryside Commission,

# communities in which people Identify as much with their village, town, valley or district. It is still strongly Welsh in the

as with Wales itself. The main lines of communi- the population is mainly cation run East-West rather clustered around the edges In than North-South, with the re-sult that, even today, people in Wales coastal boliday resorts. Sonth Wales are more likely to have visited London than

North Wales and more perple in North Wales have visited Liverpool than Cardiff.

Administrative devolution of
Welsh affairs to Cardiff, the
creation of more Wales-based institutions, improvements in

Assembly. In the South, the rumour is that the Assembly will be controlled by wild Welsh speakers from the hills of North Wales. Tories also urged the Govern- In the North, the danger of the ment to put teeth into its pact Assembly is seen as domination with the TUC and to support by the English-speaking militant

The total electorate in Wales only way to meet increased pay During question time, the claims in the overmanned public sector was by "job ment with the trade uniona was shedding."

secret ballots.

So per cent voted in the February, 1974, General Electron and 66.7 Received in the shedding." EEC referendum in June, 1975. Looking at Wales on a county-



But they have not stopped a familiar set of rumours circuleting during the current referendnm campaign on the Welsh

socialists in South Wales.



# snubbed

not rely exclusively upon the advice of the civil servants.

Departmental and Ministerial Structure, Dr. Simon Booth, Scottish Council of Fobian Soci ties, 146 Fergus Drice, Glasgow, 50p plus 15p

duce a comfortable majority in favour of the Assembly in the inland town and rural areas, but county, though the result could be decided by the attitude of Llanelli, the largest population

assembly campaign.

The Yes cempaign's multi-

party organisations abould pro-

centre, which is a Labour stronghold. These have attracted a large Lianelli's MP, Mr. Denzil Davies, a junior Treasury Minister, is campaigning in "immigrant" population from Liverpool and Lancashire, Liverpool and Lancasnire.

Politically, Clwyd is evenly divided between Labour (Wrexfavour.

POWYS—Electorate 77,000 pages 19.

ham and East Flint) and the Formerly the very sparsely populated counties of Brecon. Conservatives (West Flint and Denbigh). Mr. Tom Ellis (Lab, Radnor and Montgomery and Wrexham and a European MP) communications, greater mohi- is a strong advocate of devolu- represented by only two Westminster MPs, Mr. Emlyn remoteness from Hooson, the Welsh Liberal ough they are now leader, and Mr. Caerwyn may be offset lo devolution terms actively campaigning in favour but the county council has by Clwyd's wish to keep ils distance from troubled Mersey- come out against. Given its small population. Powys is un-GWYNEDD-Electorate 168,000 likely to be decisive in the

result either way. The Welsh-speaking heartland of Wales, formed out of the old countries of Anglesey, Caernarfon and Merioneth, The GWENT—Electorate 314.000 The former county of Mon-mouth which, for centuries, was **GWENT-Electorate 314.000** unsure whether it was part of County Council operates a fullyfledged bilingual policy. Wales or England Gwent West-Politically Gwynedd is the main minster representatives include nationalist stronghold and is Leo Abse (Pontypool) and Neil expected to produce an over- Kinuock (Bedwelty), leaders of whelming Yes in the referendum. the Labour No Assembly cam-At the same time, the large peign, but also Michael Foot in number of retired people from Nye Bevan's former seat of other parts of the country, recent Ebhw Vale, who is campaigning number of retired people from Welsh laoguage conflicts at strongly for a Yes, aa is Roy University College, Bangor, and Hughes, MP for the main Gwent the Cardiff remoteness factor population centre of Newport. could still contribute to a The county council is against, could still contribute to a but has provoked a major row by deciding to spend £1,000 of The other strongly Welshratepayers' money on a no camspeaking county, though less so

paign. Devolution opponents should win a majority but proponents are hopeful of a very respectable vote in favour.

been English-speaking for centuries. Dyfed is made up of the old counties of Cardigan, Carmarthen and Pembroke, which remain the respective cally consists MID-GLAMORGAN - Elec-This creation of 1974 Icoal government reorganisation hasically consists of the coal-created industrial communities Mr. Geraint Howells, the of the Rhondda Cynon, Mer-Liberal, Mr. Gwynfor Evans, thyr and Rhymney valleys, Plaid's president, and Mr. which are expected to hold the Nicholas Edwards, the Conserva- key to the referendum result. Representation at Westmin-

# Clwyd Gwynedd ABERYSTWYTH! Powys Gwent CARDIFF WEST MID SOUTH Glamorgan

ater is solidly Labour but Plaid Callaghan ought to swey voters Cymru has made inroads at in his own Cardiff SE con-local council level, notably in stituency and other parts of the Merthyr Tydfil and the Rhym-ney Valley, and is now regarded evidence has long suggested locally as the maio political above-average but not decisive enemy. This polarisation and support for the Assembly in the economic difficulties of the area—which Labour devolutioo opponents claim would he made worse hy prejudicing links with Eogland—make the referendum outcome difficult to oredict. It is where tha hattle for the support of the traditiooal Labour supporter is conceotrated.

Essectially the city of Cardiff, Conservative county council is ceotre of Cardiff. This is almost spending £3,000 on No leaflets certainly why Mr. Calleghan is and the city's two Tory MPs are making his only major eppearcampaigning herd against. ance in the Welsh referendum On the other hand, Mr. campaign in Swansea lonight.

South Glamorgan. W. GLAMORGAN—Electorate 273.000.

The couply is dominated by Swaosea end the heavy iodustrial centres of Port Talbot and Neath. Inlend, up the Swansea Valley and on the eutbrecite belt to the north west. Welsh is S. GLAMORGAN—Electorate still widely sooken. But epart from Mr. Juhn Morris, the Secretary of Stete for Wales and though it also includes the part of Barry and the middle clasa villagea of the Vale of Clamorgan. In spite of the economic benafits likely to accrue to Cardiff and district if Clamorgan hes shown little the Assembly is accordingly of cardinary of Stete for Wales and WP for Aberavon 1Port Talbot), the rest of the county's MPs, all Labour, are either hoadile or indifferent to the Clamorgan hes shown little or indifferent to the continuous country. Labour, are either hoatile or indifferent to the Welsh Assembly. In general, Glamorgan hes shown little the Assembly is established, the enthusiasm based on the rival ance in the Welsh referendum

# **BBC** under attack

THE BBC was urged yesterday by the Prime Minister to go ahead with party political hroadcasts on the referendum-despite the court injunction pre-venting the IBA from transmitting them.

respectable No vote.

DYFED-Electorate 241,000

in the towns. It also embraces

the former South Pembrokeshire.

which is renowned as little

England beyond Wales, having

Parliamentary constituencies of

tive Wales spokesman who is

"Whet the BBC does is e matter for them. But I trust these broadcasts will go on," Mr. Callaghan told MPa during Commons Question Time.

He rejected Tory pressure for a change in the rules to have two broadcasts allotted for each side in the referendum camellocation based on party differences. The matter was for the

political parties, not for the Government, he said. "But the more people bear the arguments, the more likely they are to vote Yes when the

Mr. William Whitelaw, Tory Shadow Home Secretary, had in protest, told bim that the injunction The programma, the opener paign. It would be much fairer to revert to the principle of two broadcasts for each

time comes," he said.

yesterday attacked the BBC for gramme on Monday might,

Lord McCluskey, who steered the Scotland Act through the House of Lords, said he was "horrified and disgusted" by the programme, which featured broadcaster Richard Stilgoe.

At a Press conference in Glasgow, Lord McCluskey said: "I might disagree with my opponents on devolution about a number of thlogs and accuse them of lack of courage and a lack of faith. But I don't accuse them of trivialisation.

"I was horrified and disgusted to see oo the BBC an appalling paign, instead of the existing trivialisation of this issue. I wught it was an insult to lhe people of Scotland. I hope the people will show what they think of this treatment of important issues when they vote on March 1."

> The programme has also been criticised by the Labour Vote No campaign, which has written to the BBC Board of governors

created very different circum- of a Nationwide series on the stances in the referendum cam- referendums in Scotland and Wales, was mainly lighthearted and included Richard ,Stilgoe dreased in a kilt in a parody of Macbeth.

The No campalgners, Labour MP Mr. Tam Dalyell and Lebour wbat he claims was a No chairman Mr. Brian Wilson. "trivialisation" of the devolutor have asked the governors to see the claim its Nationwide prothe programme before their meeting on Thursday.

#### A.C.E. MACHINERY (HOLDINGS) LTD. ACT New Products for New **Fields**

Highlights from the circulated statement of the Chairman and Managing Director, Mr. H. Y. Gort, FCIS. FRSA:

\* The trading profit for the year ended 30th September, 1978, is (280.096 compared with (279.903 for the previous year. There was an increase in home market revenue mainly due to an improvement in our plant hire activity which increased by approximately 40% -

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\* The construction industry almost universally is more or less sterile and although we are continuing to design new products for new fields, this is a relatively slow process and it will take a year or two for the benefits of this investment to bear fruit.

\* Due, to difficulties in the Middle East and North America, we ere currently paying attention to the Far Eastern countries and certain South American markets where the trading conditions are far less onerous. 

The directors recommend a dividend for the year of constant (1977 3.383p) together with a supplementary dividend, due to the change in taxation, of 0.051p.

## **Advisers** By James McDonald

A FABIAN paper, published today, argues that the Labour Party should be prepared to make its own decisions on a desirable structure of Scottish Executive departments and Ministerial portfolina in the Scottish Assembly and

Dr. Simon Booth, the author—in the third paper in the Scottish Council of Fabian Societies' series on Radical Agenda for Scotland — says that the Scottish Assembly Labour group, and not just the First Secretary, acting on tha advice of his civil servants should have an important say in getting the structure right

at the University of Strathclyde, proposes that the existing functional basis of Scottish departments should be maintained and that there should be a small number of relatively large departments. developed from the existing structure.
The Scottish Executive:

from the beginning. The anthor, Lecturer in the Department of Administration

Scotlend's Solicitor-General

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message patterns can be incor-

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appropriate contacts. Drive

signals must be symmetrical and

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particular moment.

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# Echnical Page Lathe for tyros or big users

BANKING

# An electronic cheque study

UK banking system are to be rate, could be electronically jointly studied by the Midland processed, although initially

A prime bugbear of branch banking, the cheque, will he lines. looked at first and some Elec Burroughs prototype image processing equipment will be attractive and possibly installed at a Midland area inevitable alternative to EFT, uffice with the object uf or electronic funds transfer, in comparing such techniques with which the cheque is done away existing and likely paper-based

Behind such studies (there is for example, a similar project in band by Bank of America with NCR) is the need to find a way of retaining the timehonoured and much-beloved cheque within modern computerised hanking without incurring the costs of physically tion by him for a payment to manipuleting and transporting the billions of pieces of paper involved each year.

The idea of image processing is to seize the cheque as soon as it is presented and turn it into a digital electronic replica reductions that would probably which can be stored enable them to keep charges transmitted, displayed and reproduced at high speed and also be applicable to other more or less at will. The kinds of bank paperwork, yieldcheque becomes a fairly long ing similar cost advantage, stream of digits which given the decreasing costs of ject can therefore be seen to be electronic logic, storage and as important in the UK as the transmission, can be handled NCR/B of A work in the U.S. increasingly cheaply,

The detail however - signature,

image processing within the are needed and in theory at any Bank and Burroughs Corpora- there would probably be manual tion in an 18-month project just extraction at VDUs within the regional computer centre to which the data is sent over data

> Electronic cheques are seen in many banking circles as an with and the customer uses plastic cards and pushes buttons instead

In the U.S.—and therefore lathes almost certainly in the more conservative UK—there is which the customer sees as the only proper, signed authorisaoccur.

while the banks would gain cost turrets. down. But the technique would

The Midland/Burroughs pro-Mr. W. D. Jarman, general · In most versions of the idea manager of Midland's computer the cheque itself would from operations, believes that the then on not travel very far— results of the experiments with probably into a regional centre. Burroughs will enable the bank it contains, to develop its long-term plans date, more effectively and will assist account the computer company in the Impero House, Ellora Road, Lonnumber, amount, endorsements design of future equipment.

MACHINE TOOLS

IN THE PAST, too many machine tools and their proved to be more complex and sophisticated than user industries wanled, or could cope Manual data input and override

meet a market need for a simple automatic lathe. Though is computer-controlled, the Husky should suit the small company introducing numeric-ally controlled machine tools to its shop floor for the first time, as well as meet the THE POTENTIAL uses of -can be sent wherever they requirements of large users for more power.

Traditional lathe layout has been followed for the basic machine. To this can be added a series of options, according to work or shaft work between

# Tooling for vertical

is IMPERO quick-change tooling, growing resistance to the idea normally used on the cross-slide of abandoning the cheque, of horizontal lathes, can now be used on vertical lathes. Impero (United Kingdom), based in London, has introduced a series of turret-adaptor tool-Image processing has the posts. Instead of the usual advantage that the customers mounting for a cross-slide, these would know nothing about it have a spigot to fit standard

> These are available in four sizes which between them can accept all the cutting tools and boring bars in the current

suited to vertical lathes. These are generally large capacity machines and, as standard, Impero has the largest quickchange tooling system in the UK. The top of the range toolpost can accept toolholders which bold tool sections up to 90 by 62 mm (3½ by 3½ ins). Impero (United Kingdom),

Securicor's New

To simplify part program- complete parts is very greatly ming, a series of "canned" reduced. cycles is provided covering the most common machining cycles.

facilities allow editing n latast product from programs at the machine, which rpm. Speed changes can oc Alfred Herbert is intended to saves loss of time when tapes made under cutting loads to have to be corrected away from permit progressive increase or the shop floor. A correct tape decrease and provide a constant can be punched ont from the cutting speed when large areas control cabinet at the end of a are being tackled. production batch run and One or two

Repeatability of slide movements, feeds and speeds, ensure consistent quality and the seconds. machine construction is rigid, providing accurate machining.

Because the Husky can be used very easily for forward whether the customer intends to and back facing, turning and use the unit for bar work, chuck threading and two-axis linear

An 11 kW motor operating through multi-vee belt, gears and clutches will give 16 instantaneous reversible spindle speeds netween 28 and 2,000

indexing squere toolposts can be fitted on the cross slide and controlled from the tape. Indexing takes less than two

The NC equipment is made by a subsidiary. Herbert Numerical Controls of Woking,

Further details from Alfred and circular interpolation, the Herbert, POB 50, Canal Road, need for a second operation to Coveotry CV6 5GT, 0203 88866.

# Speeds the presses

benefits of increased and con- of 720 an hour. sistent production rates, and reduced labour costs (one

Called Rotanor, the automatic loader can be fixed to any exist-ing presses of any age says UK distributor Lomir International, Whitchurch, Ross-on-Wye, Here-fordshire HR9 6DJ (0600-

Blanks are loaded into a magazine while the press is running, and are then extracted from the bottom of the maga-Impero tooling is particularly zine by a patented vertically acting stripper.

Various other functions of the machine include checking that only one blank has been fed from the magazine, orientating the blank about its keyway (the blanks can be loaded with random orientation into the magazine), feeding the blank to the press, unloading the finished rotor from the press, and stacking it correctly orientated.

ITALIAN PRESS loader, from Representative example of Norda of Brescia, is designed to feed rotor blanks to high speed a rotor 380 mm diameter with notching presses with the 90 slots and a production rate of the gland packings used. The annual results are the production rate is given by causes flexing in the vessel arctimary seaming members are Agitation of the shafts PTFE.

Agitation of the shafts PTFE.

Agitation of the vessel Further details from Crane head. This led to rapid failure Packing. Slough SLI 4QX. feed rotor blanks to high speed a rotor 380 mm diameter with

#### operator can look after more £2½m worth on show

EXTENSIVE RANGE machine tools (many shown for the first time in the UK) will feature in an in-house exhibition called Nortech 79 to be held from May 14-18 at W. E. Norton (Machine Tools), Dore House Industrial Estate, Orgreave Drive, Sheffield S13 9NR (0742-

Exhibits will be divided into eleven main areas: grioding, furead rolling, gear cutting, turning, CNC, drilling, milling, fabrication, sheet metal presses, forging and powder compacting.

Display will mark the opening of the company's new 20,000 square foot showrooms.

#### · MATERIALS

# Seal life extended many times

UNIQUE mechanical sealing maximum working life of these designed by Crane Packing for packings—only eight hours—a urea de-waxing plant in West meant considerable expenditure Germany has now been in in man-hours in inspection and trouble-free operation for an repair, plus the danger of air extended period, replacing a leaks into the vessel, adversely conventional gland packing affecting the product, which had a maximum leak-free Crane Packing's solution was

life of eight hours. As a result, the plant operator gland packings and to has been able to recoup his investment in record time and to achieve savings of about DM im a year in process-related products.

diameter vessels in which the of resin bonded carbon and Ni-Each is penetrated from above members are of PTFE. by two shafts, one inside of the other. The outer, hollow, shaft was designed for the large has a diameter of 14 inches and outer shaft. This was a simple moves scraper blades which robust wedge seal with the seat and drives a vertical axial flow flexing. The primary sealing pump which agitates the liquid faces are of cast iron and all in the vessels.

to dispense completely with mechanical scals instead.

The inner shaft was sealed with one of Crane Packing's standard seals—a multi-spring unit mounted in an oil bath. The plant has four 10-foot The primary sealing faces are ures is held under vacuum resist. The auxiliary sealing

A special mechanical seal clear away waxy deposits on the designed specially long and with ressel walls. The inner shaft has minimum flange thickness tn a diameter of around six inches reduce the effect of vessel head ancillary scaling members are

# **Speedier flooring**

ALTHOUGH WIDELY used on factured in any length up to the Continent, prestressed con- about 10 metres, and can be crete plates have only recently craned into position straight been introduced in the UK by from a delivery vehicle. They been introduced in the UK by will serve as a composite ele-Quikspan, 2 Market Close, Poole, Dorset (02013 78631).

at a development site in King ating all shuttering and prop-Street, Tavistock where 24 flats ping called for concrete floors. Faced Proving to be much quicker with the problems of lorry access and limited space on site, the architect specified the plates as the only practicable solution.

ment of the floor nn to which Good example of their use is a development site in King

Proving to he much quicker than traditional methods, says the company, the prestressed concrete plates are also being one metre wide and 50 mm Bridport, and the new TAVR thick, the plates can be manu-

#### Looks good overhead

BECAUSE OF its striking appearance and good fire resistant qualities, vermiculite. heat expanded mineral material, is ideal for a ceiling tile, claims Treetex Acoustics, Swinton House, 324 Gray's Inn Road, London WC1X 8BZ (01-278 4167).

#### Coater for spectacles

evaporation plant intended for the application of anti-reflection and other coatings on ophthalmic lenses has been designed by Balzers High Vacuum, North-bridge Road, Berkhamsted, Herts (04427 2181).

Called BAL 450, it employs 450mm diameter stainless steel bell jar and has a substrate holder that will accommodate 22 lenses of 65 mm diameter. adaptors being used for smaller diameters down to 58 mm.

Film thickness is pre-selected on digital keyboard and is monitored by a measuring head; a control unit switches off the process when the selected thickness has been laid down. Hydro-pneumatic lifting of the hell jar is provided, the whole unit is mobile, and doors or removable panela allow eccess for mainten-

# A sheet

VALUE OF a lightweight, insulating building speet is heing appreciated in Scotland under present severe weather conditions, says maker Perm-U-Board, 38, Boundary Drive, Hunt's Cross, Liverpool L25 0QD (051486 0971). Poorly insulated houses there

have been upgraded with the huilding board which is used for ceilings and walls and, at tha same time, cures any con-

densation problems.

Polystyrene, said to be nne
nf the finest insulation materials known, is restructured into highly pre-finished panels with smooth plaster-like finish and, says the manufacturer, readily lends itself to any type of decoration.

Apart from refurbishing older

dwellings, it has applications in the agriculture sphere to assist controlling temperatures in such buildings as potato storage sheds, etc., and as a valuable heat saver in factories, warehouses and working environ-



Particularly suspended ceilings, Nngget is one of a range of three vermiculite patterns. It has a deep and thermal cut-outs,

pattern of facets which can be used in line, or alternated. It is 600 mm square by 25 mm thick and can be fixed by wire or rod directly-hung tee sections or by concealed Z section

Two patterns in the range are called Ingot and Sovereign. By placing the tiles in alternate directions, Ingot can be used to 100 per cent of full rated load create a chequered effect, while is for example, better than 1

supplies DIRECT CURRENT, 100 with DC switching power supplies in five versions covering five, 12 and 15 volts are offered by Astec Europe, 4A, Sheet Street, Windsor, Berks, (Windsor

55245).

Reliable

All the units offer full protection to the luput mains supply and to the powered circults with overvoltage facilities, short circult current limitation

The company claims that the controlled and documented assembly process that it uses. involving thermal cycling and the bure-in of components before use, ensures that "reliability is built in," with predicted mean time between failures of 100,000 hours.

Regulation between 25 and Sovereign's subdued chewon per cent for the five rolt 10 amp design produces a gentle linear output common to all the effectivement the titles are fixed models. The gual imports (#15 in ope-direction, says the company, 5 per cent.

# electronic mail?

An increasing number of electronic media offer fast communication of written and pictorial messages. Telex and facsimile transmission are being improved and extended. Now they are being joined by communicating word processors, computer-based message services and viewdata systems.

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ourselves, we have created 27 specialised depots. (These are all additional to our existing network of over 200 parcels branches). Our transport fleet is being dramatically increased at every level, from 49 ft. long articulated tractors and trailers to

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packages.

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can solve my proble	ms.	. participati	
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•		• •	

#### EDITED BY CHRISTOPHER LORENZ

#### THE MANAGEMENT PAGE

LAST WEEK'S vote by employees at BL Cars against their shop stewards' call for a strike has been by many observers as yet one more victory for the tough and uncompromising approach Mr. Michael Edwardes bas brought to his joh as chairman and chief executive of BL.

ۣٞٳ**ڎ**؆

Mr. Edwardes bimself does not see it that way. "I don't think the vote-30,000 for a strike and 66,000 against— showed any particular enthusiasm or support for management. There is certainly a widespread feeling that we took an unreasonably tough

line over parity payments.
"What it did show is the determination of the workforce to talk before they walk. They want to keep the company

At the heart of the argument was the programme of parity payments to establish the same rate for the same joh at all of BL's 34 plants, essential if the pay hargaining chaos of the past is to be ended. The shop stewards called for a strike when the company announced that productivity had not risen enough to warrant the first interim payments.

BL, formerly British Leyland, insists that productivity targets were agreed, including detailed figures, at plant level and following normal industrial relations practice it was left to the sbop stewards to inform the

Mr. Edwardes comments: "We have been fairly criticised for not communicating to the shop floor itself. But in the past the company wanted to be seen not to be going over the beads of the shop stewards. We will now improve communication with the shop floor. We judge that the mood of the employees has changed and that is what they want us to do.

"That does not mean that we will be 'selling' the manage-

To some extent BL bas only been granted a reprieve. The next parity payment "trigger" point comes in May (if the timetable is not altered) and the programme should be fully implemented in November.

Mr. Edwardes maintains BL six.

the company.

Since then there have been

no miracles. "I doubt if there

is one problem we faced in

November 1977 that has been

solved completely. What I would

argue is that we have made

progress on almost all our major

that he is committed to com-

pleting only three years as

a couple of years to do the job.

after his contract runs out next

year. "I owe it to everyone con-

cerned to do wbat' I said I

would do-contribute to the group's recovery and then leave

it for other people to run. There is a sense of urgency doing it

this way which is necessary in

"If at the end of three years

we have broken the back of BL's

problems I will be totally relaxed about its future. I will

certainly keep my own shares in BL and I would consider

staying on the Board if I am

invited to stay. If at the end of three years we have not broken

the back of BL's problems

not good enough or the unions

were not co-operative enough

the particular circumstances."

Mr. Edwardes reminds people

Kenneth Gooding interviews BL's chief executive to find out how well the rescue plan is going

# Michael Edwardes' half term report

make them unless they are scheme to raise £450m of equity been major upbeavala in the earned by increased producpeople understand clearly what they must do to earn the next payment then we stand a better chance that it actually will he triggered off.

"What worries all my colleagues - who are working hard to achieve the productivity and to get the payments made — is that there may be some people in the company who want the parity programme to fail." So Mr. Edwardes believes

that the period between now and November is one of the "It is not clear cut whether the necessary productivity will be achieved," be points out.

As everyone knows, BL has faced several crises before. For example, Mr. Edwardes was given very little time to make up his mind about the BL post before he took over in Novem-ber 1977. He recalls It was not a question of "Shall I say yes?" but one of "Can I say no?" because BL's finances were in such a mess.

In the starkest terms the group simply did not have the money to pay the wages, it could not make a financial case for more state cash from the National Enterprise Board between November 1977 and March 1978 and, in any case, approval would have been extremely difficult to obtain because there was a "hung' Parliament.

#### Morale

Mr. Edwardes says the major ment line or forcing shop floor achievement was that the Board employees to take positions. was restructured in a way that But we must make sure they gave the City enough confidence get the facts in situations like to provide £80m of stand-by the one which arose over the productivity deal." to provide £80m of stand-by credit. Three out of the four UK clearing banks and two U.S. banks provided this short-term facility.

Eleven people left the board during the reorganisation and three newcomers, including Mr. Edwardes, joined reducing the number of directors from 14 to

By March of last year BL bad is "itching to make the pay-meots but we simply cannot Parliamentary approval for a

I am concerned I will bave panic. His critics suggest that, while Mr. Edwardes has provided the leadership BL needed, he might bave sacrificed the group's long-term future for short-term considerations. This be rejects vehemently. "If you of this group in three years temporary boost and then whole. pushes off. I have hever worked within : Chloride each business was stronger than when I went in. often with managers more

to strengthen the balance sheet group structure since his arrival. and pay off the short-term £80m Was it really necessary to have loans. Mr. Edwardes recalls:
"Parliament did not divide over yet another reorganisation at BL. particularly in the car division where much time and the money. That was trementrouble had been employed bringing the volume and the view. It was tremendous from an export point of view. People specialist car business—represented by Austin Morris and Jaguar Rover Triumph—tooverseas realised that this company might survive because here was hi-partisan financing of

gether?
"If I had accepted the advice some people were giving me in January last year and had not split up the car division we would be wallowing today—although I would agree that if we had been prepared to wallow for a year and slowly pull ourselves out of the mnd over two years, then at the end of those two years "Leyland Cars" might have been in a reasonably good position.

chairman and chief executive of BL and then he will give up But if we had wallowed for that year I think we might have been going out of business now the post. He says this has enabled him to drive and push through the many organisafor dealers were defecting at the rate of one a day in Jan-nary 1978. Certainly people tional and other changes made because "I have been able to remind people that I bave only close to the company were advising me to get the turn-round in morale and in image Mr. Edwardes insists there is no chance of him remaining in and in confidence as quickly as humanly possible." an executive capacity at BL

"I know of no quicker way of restoring morale than getting decision-making down the line fast, and to do that required that not one man be running the cars divisions but three or

"Middle management morale is still low, it will take enother 18 months to rebuild. But at least we stopped people leaving - those we didn't want to go --and the dealer network is now right behind us.

"We are a long way from solving our problems but at least we are still in business and the business is more orderly. The Board were saying because the management was to me just the other day what a dramatic change there had been in the past year in the way or the workers continued to dis-rupt production, then as far as Board — there is a lack of

> "The company used to be perpetually in a panic and even In the three months after the Board changes it was generally That has been panicky. stopped."

Mr. Edwardes has further reduced bls workload by giving can't bring about logical reform the line managers much more room to make their own decirecovery is not going to be sions and this has at the same possible. I am not a chap who time considerably speeded up sions and this has at the same goes in to give a company a decision-making within BL as a

"I do everything by excep-In 27 years at tion. If a top staff man and the Chloride I did many reorganisa- line chap agree. I don't get in- pruning may be necessary, par- of employment in be safetions and when I moved on volved. The result is that decisions are being made in this company at great speed now. I will be aware of them by readsuited to the on-going running ing minutes—all the minutes of of the operation than I would key meetings come through to -and I will be aware of Mr. Edwardes is seen by many what bas been decided. But I observers as "a reorganisation will never interfere with a de-man" and there certainly bave cision made, given that the top



"I know of no quicker way of restoring morale than getting decision-making down the line fast.

that it is within the clearly laid down limits of anthority. That is why I think it is so

important in a business to differentiate between line and staff people.

"What we do is quite

interesting. We don't say to people 'These are your authorities.' We say 'You have authority to do everything except that we will limit your authority in these ways' and give each of them a documentquite a detailed document—that levels of salary and so on. So they can do anything except what is specifically limited in writing—and that, of course, is a very big innovation in this

The result is that the detailed matters are being dealt with by the Boards of the newly formed operating companies while the main Board can concern itself solely with strategic issues. "It wasn't like that before."

It is obvious from what Mr. Edwardes says that many people have misjudged his motives for splitting the car division in the way he bas. There is still a widespread feeling that by specialist cars business. Jaguar its own.'
Rover Triumph, A-M's deficiencies in performance could "and I or severe pruning.

He does not deny that further

action by militant shop slewards. But closure of Austin Morris would prejudice BL as a whole. He put forward three and not wrap it up.

#### Low profit

First, "Our distributor network in Britain, and in other parts of the world-hut particularly in Britain-depends on limits his authority on such the range of vehicles we sell things as capital expenditure. and if you took Austin Morris out tomorrow you would lose a lot of dealers, let in foreign makes among our dealers, and Jaguar Rover Triumph, lhe more-profitable parts of our business, would then suffer. So from a dealer network point of view, even a low-profit Austin Morris is much better than no

Austin Morris at all." The second reason involves rale of production. "The scale of production. strength of Jaguar Rover Trlumph compared with certain specialist car companies in Europe is that it is concected

with Austin Morris.
"Jaguar Rover Trlumpb can be far more successful in the isolating the volume cars divi- long term as part of a set-up sion, Austio Morris, from the including Austin Morris than on

"and I don't mind saying this be highlighted, making it because I don't think people tions that his arrival in some possible to put a case for closure feel I, am a soft, doctrinalre way scuppered an important type "- concerns employment. "There is one bell of a lot

staff people agree with it and ticularly if there is irresponsible guarded if we succeed with Austin Morris. What I am saying is that I want to run it at a profit and one of the spin-offs nf doing that, and one of the very strong reasons why "we have important advantages, is that got to get Austin Morris right you secure so much employimportant advantages, is that

> "You wait, If we gel Austin Morris profitable this year-and with a decent production run we can-then suddenly you will find the number of people who have been saying we should close it down will perceptibly decrease, people will forget what they were saying in 1978.

"I am not being arrogant, They could be right. We could end up having to close Austin Morris hecause the workforce don't go along with us. But given they do co-operate, given that we get facelifts on time. given that we get consistent production, there is a very fair Morris can become profitable soon, even in 1979."

Mr. Edwardes does not accept. elther, that the reorganisation process slowed up the develop-ment of new products vilal for BL's future survival. " Of course the programme was slowed down in November and December 1977 hecause we had to review it. But, taking the period up to 1980, it now has far more chance of being reasonably on

He rejects, too, any suggesway scuppered an important pao-European link-up between Renault and BL. The idea. he now reveals, was that Renault

would have supplied some major components and even a mid-range car to BL, which is return would have received four-wheel-drive technology and pruduct - Land-Rovers Range Rovers — for its inler national network. But then were not enough of the vehicles being produced to provide pro duct for both the existing Bl nuUcts overseas and those o Renault, and the expansion programme had not even bee: Board, still less to the NEB and the Government.

"In January 1977 it just was not feasible. We just could not have delivered our part of the proposed horgain and, frankly we would have ended up with a most terrible Anglo-French contretemps over the tack of product

" Anyone global collaboration ileals as being simple is being naive Just take the employment situation. To close Cowley and replace it with a built-up vehicle (except under the most excessive provocation from the workforce) just would not be a reasonable thing to do in the context of the UK today. may come to that but if we do we will have failed in achieving our present plan.

Turning to achievements so far, last year for the first time for a long time BL's capital expenditure was an budget-or was 98 per cent of budget "and that's prefty good going in any business." But organi and heavy capital expenditure is the main reason why cash flow cannot be positive for at least the next two to three

years, "What matters is that our eash flow is going according to the plan we lodged with the Government at the time when Parliament voted us the funds in March last year.

"In 1978 we achieved a tremendous amount in terms of employee relations. If we get the fruits of that in 1979 I really believe we are going to talk about profits not in the 1980s. which is what you might expect me to talk about, but in 1979if the work done last year by the unions, the employee reprechance indeed that Austin sentatives and the management comes through."

And how should we judge Mr. Edwardes' performance when he gives up his executive role next year? we ask these questions: Is the image of BL much

better? Is it the general view that the group is now likely to survive. Is the likelihood of its recovery better?

Is it in the black and solvent?. Is there a clear-cut strategy for the medium-car range"

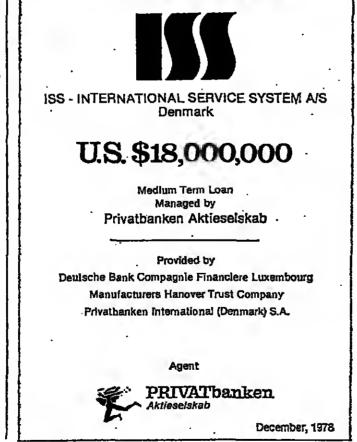
If the answer to all these nuestions is "yes," he feels that the Board and management team will not have done too bad a job.

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# BP had a big job for the Monotype 80. Let Anthony Smith explain...



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# Dunfermline

Only 20 years ago Dunfermline was heavily dependent for employment on a declining industry dating from the industrial revolution—coal mining. Now, an influx of manufacturers, the new motorway and a growing holiday trade have put the district comfortably on the 1970s map

# Secure lobs à huge benefit

the main motorway north to the Scottish midlands and Highlaods. Parodoxically for an area which has both an illustrious past and an exciting-if not yet predestined — future, strangers know it from passing

quickly through it.
That fact is probably a strength rather than a weakness. The district's good communicamore people to stop off. Despite its historic connections as the seal of Scottish kings and its fice countryside and coastline, Dunfermline will never become

which provides useful additional income. And, more importantly from the point of view of em-ployment, a number of manufacturers in growing industries have been attracted to set up

influx provided the district with a shot in the arm to build, that it badly needed to overcome a rapid decline in its traditional campaign. iargest industry. Coal mining, which provided the basis of

By Ray Perman

Scottish Correspondent

in the east or the no deep mines remain, have to been closed leaving only five pits and two opencast sites still negrating. There could still be a further cuthack in the industry, but the worst is certainly over. Of those collieries that are still producing coal, wishle for four are considered viable for the foreseeable future. Two of these, Castlehill and Longannet, are linked into one of the most productive complexes in Britain, serving the huge Longannet . power station.

#### Uneven

Although it bas been uneven in its effect, this rundown has caused remarkably few social and economic problems, as the usual range of indicators show. Unemployment, taken for the

pace with the national trend. Incoming companies have

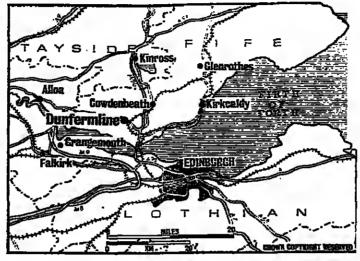
provided new and secure em-ployment in electronics, engineering, clothing and footwear and other industries in growing markets. On this base the present district council intends to build, by attracting new industry through a promotional

which provided the building provided the Dunfermline's prosperity in the industrial revolution, and still, as late as the 1950s, employed half the total workforce, now has only 10 per cent on its payroll.

Hillend, an industrial close to the M90 motorway, in 1967 as part of its space and defence systems division. It has grown steadily since that time, to the point where it now employs 2.400 people and is the limit of the provided Marconi largest of the elecregion.

As an autonomous entity within the Marconi group, Hill-

end is responsible for the development and production of a range of advanced equipment for military and civil uses. Muchof the work is classified, but it does include the manufacture of flight simulators for Nimrod anti-submarine aircraft, Lynx and Gazelle helicopters Brian Easdale, marketing man- the and the A300 Airhus as well as ager, "but we know our com- Agency, which will be trying to sophisticated Clansman vehicle radio, computerised fire control systems for Chieftaln tanks and similar equipment for field artillery. With a turnover of more than £30m a year, much of it accounted for by export sales, Marconi Hillend is looking with confidence to the



graduate and professional on-large concentration of elecand a steadily growing demand ting the right people," says Mr. the promotional activities of

Marconi, with Phillips and later this year. several small firms, is a source Engineering has been an not only of highly skilled emestablished local industry for ployment for the district, but many years. The National Coal also of opportunities for school leavers and those finishing further education who would

gineers in its research and tronics companies (with several development department alone leading names to the north in Glenrothes new town and to the for highly skilled workers, there south in Edinourgh and its are recruitment problems. "We suburbs) the district is in a have tremendous difficulties get- good position to benefit from Development Scottish petitors in other areas are attract American investment in struggling just as much as we this field to Scotland with two sales drives in the United States

Bnard may have closed pits, but it kept open its central engin-eering workshops, which a right to the established Scottish district as a whole, remains The company has found Hill- otherwise have to move away carry out maintenance and department stores and its rapid Whatever the final outcome as Aberdour and Dunfermine to find suit- general engineering work for all rise reflects Mr. Rennie's deter- of the current controversy is, itself provide higher-quality have a growing holiday trade family incomes are keeping to expand, although with 300 able work. As the centre of a the board's collieries in Scotland. mination to prove that the best Mossmorran's credentials as a private housing.

employer, also has a large number of skilled workers.

Newer arrivals, such as GEC process control equipment main competition not in the manufacture, with two firms, T.K. Valves and the Americanowned F.M.C., involved in supplying control equipment for the North Sea oil industry, and efficient machine tools. The decline of the linen and indicates that he intends to supply the property of the control of the linen and indicates that he intends to supply the property of the line and indicates that he intends to supply the property of the line and indicates that he intends to supply the property of the line and the control of the line and the l silk industries robbed the district of some of its oldest-established crafts, but textiles are still represented by Lyle and Scott, who manufacture clothing under the Wolsey

#### Business

Dunfermline district, like many other areas in the UK distant from London or other large population centres, suffers from the popular prejudice which imagines that everyone associated with it must be provincial. The success of a small company, just a few yards away from Marconi's world-leading electronics factories, belies this impression. Mr. Robin Rennie hegan Store Design in 1971 with his own savings, the pro-ceeds of the sale of his house and car and a man from the council. The business now employs S7 people and has expanded its factory eight-fold. Store Design produces com-plete interiors for shops and

Rosyth, the district's largest fittings can be matched by a employer, also has a large company which does not have to suffer the frustrations of competing for skilled workers Control Valves, have mostly in London or paying big city been in the specialist market of overheads. Indeed, he sees his indicates that he intends to remain up with the European

leaders. But, although new industry has moved into the district, there are still areas, like Cowdenbeath, that have not yet recovered from the withdrawal of the Coal Board. The Scottish Development Agency, acting through the local council, is spending £2.2m on environmental schemes, clearing derelict industrial sites, replac-

ing topsoil. landscaping and planting. The area is already much cleaner and more attractive, but it still needs jobs. The prospects could be transformed by Sheil and Esso's proposal to build a gas separation plant nearby at Mossmorran, to handle natural gas from North Sea fields which will be brought to the district by overland pipe-line from its landfall north of Aherdeen. The planning delays have concerned not the project itself, but the marine terminal which the two companies propose to build at Braefoot Bay on the Firth of Forth.

The Royal Naval dockyard at in design and construction of possible location for chemical or petrochemical development have not been challenged. This new industry could prove to be regeneration Cowdenbeath area.

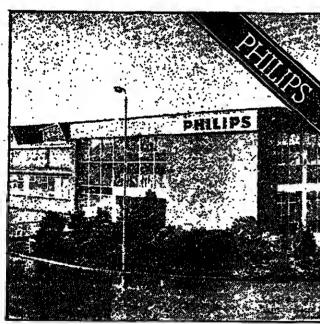
Sites for development are available all over the district, either owned by the district council or Scottish Development Agency, or privately managed, like the Belieknowes estate at Inverkeithing which is being developed by the Standard Life Assurance Company. All the estates have good communica-tions and are supplied with

#### **Improved**

Education and housing have improved greatly over recept years. Almost every community within the district now has a playgroup or nursery school and the growth of primary and secondary schools has kept pace with the rising population. Road and rail links with Edinburgh are good enough to bring its private schools within easy reach of day pupils living in the district.

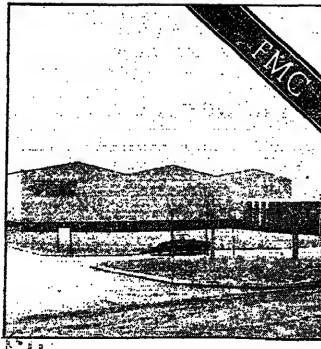
The district council, as housing authority, is building about 200 new homes a year, and this is in addition to the extensive huilding programme of the Scottish Association and of private developers. Dalgety Bay, a privately-huilt new town on the shores of the Forth, and oldestablished communities such

# MOUR NEGE



The second secon







Philips, Marconi, Bells and FMC are only a few of the types of international names you could be rubbing shoulders with. These are companies/ corporations who are already thriving in the healthy environment of Dunfermline District, in the heart of Scotland's industrial central belt where they are finding the atmosphere just right for

growth and expansion.

Dunfermline District offers superior facilities and opportunities to both incoming and indigenous companies alike, with a willing and adaptable workforce in the manual, skilled, technical and scientific fields. Excellent housing, education, communications, shopping and recreational provisions are provided—a combination often found lacking in the overcrowded English midlands.

If you have any thoughts to the future, health and prosperity of your company, Dunfermline District offers an excellent opportunity for your expansion programme. If you still have doubts why not read on and learn what those who are happily located here have to say.

PHILIPS the world wide electrical and electronic group have been closely involved with Dunfermline District for fifteen years. Starting on a green field site in 1964, its production complex has grown steadily and today provides employment for over 700 people in the

The name Philips is brand leader in many fields, the position won and maintained by the Group's investments of over four hundred million pounds annually in research and development. The company manufactures and markets a wide range of consumer and technical products throughout the world. These include everything from TV shavers, radios, Hi-Fi systems, lighting, washing

microprocessors. The company's Dunfermline operation, one of many in the United Kingdom. has made an important contribution to Philips

MARCONI Space & Defence Systems
Limited commenced production near Dunfermline in 1967 and, as a result of continuous expansion over the last 11 years, has built up to four major factory units on the Hillend, and neighbouring Donibristle Industrial Estates. The establishment now comprises an Engineering Division, a Production Unit, and a Printed Circuit Board Plant, all geared to meet the stringent requirements demanded in the design and manufacture of highly advanced electronic equipment for military and commercial use both at home and overseas.

FMC The decision to build the Wellhead manufacturing facility in Dunfermline was part of a decision by FMC to develop a comprehensive worldwide manufacturing capability. During our rather short history, we have successfully developed markets in the North Sea, Middle East, North Africa, and Latin America. Based on the success we have enjoyed, we are confident that our expectations of long term growth will be fully realised.

BELL'S Due to the rapid growth in demand for Bell's Scotch Whisky both at home and abroad, the Company decided to build a second bottling hall.

The site selected was the Pitreavie Industrial Estate
on the outskirts of Dunfermline, and production commenced in 1975. The reasons for choosing the site were not only the convenience of the location. but also the availability of labour in the area and the helpful attitude of the Dunfermline District



INDUSTRIAL PROMOTIONS UNIT, DUNFERMLINE DISTRICT COUNCIL PLANNING DEPARTMENT, 3 NEW ROW, DUNFERMLINE TEL: DUNFERMLINE 36321

#### DUNFERMLINE II

# Waiting for Mossmorran

separation plant at Mossmorran, fime it is Fife, but a final decision has still not been made by Mr. contract.

Bruce Millan, the Scottish The Bru

mated to cost at least £435m. With the ethylene plant, it of UK gas consumption.
offers the prospect of a major The field is large

The proposal was generally welcomed by the local authorities, which were anxious to attract new industries to the region, but it ran into flerce opposition from local residents living near the sita of the pro-posed terminal at Braefoot Bay. They bave organised a skilful, articulate campaign, which for more than two years has con-centrated on the potential bazards the development could bring to local communities living little more than a mila away in Aberdour and Dalgety Bay.

When the inquiry was com-pleted in July, 1977, the nll companies were hoping to receive approval by November, and in a parliamentary answer Mr. Millan suggested that the Scottish Office's response could be forthcoming by the end of

The planning timetable for the project was already tight as Shell and Esso bad previously had to abandon their original proposal to build the separation plant at Peter-head, near Aberdeen. They discovered too late that the harbour was unsuitable for loading gas tankers. They had not reckoned, however, with the inordinate delay that bas followed their subsequent planning application for the sites in

The natural gas liquids separation plant is a vital component in Shell and Esso's plans in develop the massive Brent Field, the largest oil field yet discovered in the UK sector of the North Sea. As part of the development plan, receiving further evidence on the companies agreed a contract the subject of hazards that with the British Gas Cor-could be caused by sparks from the companies agreed a contract the subject of hazards that ment to the gas separation plant with the British Gas Cor- could be caused by sparks from This would consume the ethane porntion for the supply of a nearby radio transmitters. The as feedstock. The other gas minimum of 500m cubic ft of includence of the subject minimum of 500m cubic ft. of objectors have made sure that diquids would be piped to Braenatural gas a day beginning in Mr. Millau does not forget where foot Bay for export shipment. October 1980, but that timetable his responsibilities lie. On one The propane and butane will now be impossible to meet occasion last year he was should find ready customers in

space utilisation

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passed since a public inquiry it is unlikely that Shell will objectors won their case.

was beld in Dunfermline to have found a fully satisfactory
examine Shell and Esso's plans to build a natural gas liquida the natural gas liquids by the despite current hold-ups can time it is supposed to begin fulfilling the British Gas

The Brent Field has estiecretary. mated recoverable reserves of The plan, which includes the some 2bn barrels of oil building of an ethylene plant including 600m barrels of con-by Esso Chemicals at Moss-densate and natural gas morran and a marine terminal liquids—and about 3 trillion a few miles to the south at cu fe of natural gas. At peak Braefoot Bay on the north bank production it could meet as nf the Firth of Forth is estimuch as 30 per cent of UK oil consumption and 15 per cent

offers the prospect of a major petrochemicals complex being established in Fife in an area of high unemployment.

The proposal was generally welcomed by the local authorities which were anxious to the proposal was generally and the field but Shell hopes to have at least the pump stating on Brent C in negration by the combination of hydrocarbons summer to enable oil to begin discovered in the Brent flowing for tha first time reservoir, 100 miles to the northeast of the Shelland Islands, has sullom Voe oil terminal in the necessitated a development programma that in complexity rivals any in the world.

It is perhaps ironic that Shell and Esso should have run into one of their most time-consuming problems in the whole project onshore in the shape of the two small communities living in clated gas that is going to deter-Aberdour and Braemot Bay on the shores of the Firth of Forth. is produced.

#### Delays

The NGL plant and marine terminal planned for the area are the parts of the Brent jigsaw furthest away from the field, but they are a vital part of the overall plan and delays here have repercussions for the whola project. After the plan-ning inquiry held in Dunferm-line in the summer of 1977, Shell, as operator for the Brent. development, had hoped to move in the first bull-dozers in the spring of last year.

It had not counted, however, on meeting quite such articulate, well-organised opposition as has been offered by local protest groups. Neither could it have foreseen the series of events, some tragic, some farcical, that have necurred since the inquiry and have served to further complicate the

decision facing Mr. Millan. Shell received provisional various planning permission from the Scottish Secretary last March, but it was conditional on him for the

It is likely to take at least to make him release some 21-3 years to build the Moss- specific information about this:

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SHOPFITTING? potentially dangerous stances such as liquid petroleum consult Store Design gases (butane and propane) and liquefield chemical gas Internationally acclaimed experts in

The oil side of the Brent Field

development is progressing, despite current hold-ups caused by the strike of offshore con-struction workers nn the North Sea platforms, which is bolding up work no tha four Brent plat-forms. The first oil started to flow last antumn through the Brent pipeline system to Sullom Voe from the Dunlin Field, and the Cormurant and Brent Fields will follow later this year.

To date, the Brent platforms that have been producing oil have been loading into tankers at the field. But Shell hopes to Sbetland Islands.

It is the gas side of Brent production, however, that is pre-senting the problems, rather than the oil. Brent has nne of the highest ratios of gas to oll in the North Sea and for many months to come it is the asso-

Sheli/Esso's contract with British Gas calls for natural gas (methane) deliveries to the corporation's terminal at St. Fergus to begin in October 1980 at a minimum level of 500m cubic feet a day.

It is with this contract that Shell faces its most immediate problem as it tries to synchro-nise the completion of widely differing projects within the Brent development, each involving in its own right an invest-ment of several hundred million pounds. Shell's gas terminal at St. Fergus, to the north of Aberdeen is already under construction. Costing at present estimates a little over £100m, it should be ready by the middle of 1020

This plant is designed in take out the natural gas stream, allowing the remaining natural gas liquids to be piped south to the proposed separation plant in Fife. This plant would then break down the liquids into the various components, ethane, propane, butane and natural gasoline. The overall plan calls for the construction of an ethylene plant by Esso Chemical

Europe and North America. But the residents living around Braefoot Bay object. They refuse to accept that a terminal for the shipment of

(ethylene) should be built

within 11 miles of their bomes. They refuse to accept evidence presented by Shell, Esso, Esso Chemicals, the Health Safety Executive and various engineering consultants that the plants and the terminal will be built to the very highest standarda and will meet all standards of "acceptable risk." Acceptable to whom, they ask.

The local residents apparently The local residents apparently suffered a defeat at the planning inquiry when Mr. Millan finally agreed to give the provisional planning permission. The only ontstanding worry to be settled concerned the hazards of sparks from radio transmitters sited in the rejoinity of Proefect Ray. vicinity of Braefoot Bay.

The concern first surfaced in relation to another plant that had already been built at St. Fergus. An embarrassed Government was told that its 28m Royal Navy transmission at Crimond newly built atation at Crimond, newly built with financial aid from its Nato allies, could be a potential bazard to the nearby St. Fergus gas treatment plants. Transmissions could cause sparks, which might ignite any leaking

Within the remit of the Dunfermline planning inquiry this danger is the only outstanding issue to be resolved. Reports have been prepared by the oll

Safety Executive and by the protesters on the matter and all have been lodged with the Scottish Office for several months. But to no avail.

It has become apparent that for the Scottisb Office the dacision is more than a technical, plauning matter. & has taken on decided political overtones. . In the months since the inquiry, several events bava occurred around the world, which have underlined tha hazards present in the move-ment and storage of liquid gases under pressure. A gas plant similar to the one planned for Fife exploded in Qatar, in the Middle East.

#### **Dangers**

Since then a series of road and rail disasters in America, Spain and Mexico have emphasised the potential dangers. No road nr rail links are planned for Fife, but such disasters could only belp the protesters' case.

While the Scottish Office procrastinates, however, Shell and Esso can only wait, cangbt up in the middle stages of a pro-ject vital to Britain's future energy needs, and involving at the last count an investment of

porary ways of disposing of some natural gas liquids, which will allow it to begin delivering some natural gas to British Gas. The first method will be to burn natural gas liquids as fuel at Peterbead power statinn, which itself is still under construction. This would nnly be a partial solution, bowever, and much of the value of the gas liquids as premium fuels nr petrochemical feedstock would be lost.

The second method nf disposal is to build a pipeline link from St. Fergus to British Pet-roleum's nearby crude pipeline, which leads from the Furties Field to Cruden Bay and then overland in the Firth of Forth. This is still under negotiation, but if the talks are successful, Shell will have won a little more time in wait for the Scottish Office's decision.

If the decisinn should go against them, they will face years' more delaya as they try find another site-perhaps the Cromarty Firth—and have in go again through the while planning procedure. At the same time, Fife could lose the last chance of attracting major petrochemicals developments to

> Keyin Done Energy Correspondent



High Street, Dunfermline

# Rosyth should have a secure future

on the Forth estuary as a legacy of two world wars and cold relations with the Soviet Union. The Royal Naval dockyard at Rosyth, some threa miles south of Dunfermline, is where the British nuclear deterrent is

More than 6,000 civilians earn their livelihood at the dockyard which pumps millions of pounds annually into West Fife and has taken over from coal mining as the area's chief employer. It was not until shortly before the was not until shortly before the First World War that the shrewd eye of a defence chief alighted on Rosyth, then little mnre than a flat stretch of pasture tucked behind the Forth Railway Bridge. The contract went out in 1909 and about 300 arres were recovered from the acres were recovered from the sea and a stout sea wall built.
As war approached, 3,600 men
worked day and night developing the network of docks and building some 8,000 bouses for seamen and dockyard workers. Rosyth eventually took over from Scapa Flow as a base for the Grand Fleet Dreadnoughts.

#### Efficient

Rosyth grew out of the fields, an instant town grafted on to the ancient burgh of Dunfermline with rows of very Englishlooking houses and a strong hint of Chatham, Portsmouth and Devonport in the accents of the people living there. Soon after war was declared the First Sea Lord declared that Rosyth was quite the most efficient dock-yard in existence. In the following years many famous warships bore their battle scars mto the duckyard for repair; the battered vessels of the Grand Fleet came in from Juliand. among them the super-Dread-nought Warspite, hit 18 times and her dead still on board.

In three years of that war Rosyth ran to the repair of 78 capital ships and more than 100 lesser warships. But with peacetime the dockyard was

streets in the neat estate nearby fell vacant and it was not until the shadow of war once more kept sharp and an important threatened that the service part of the Royal Navy's patrol families and the dockyard strength is based and main-craftsmen moved back in and Rosyth was recommissioned to fight another round.

The "Garden City" ex-panded and has been a lively community ever since as Rosyth proved an even more important strategic centre with the proximity of the North Sea oil fields, the controversial fisheries boundaries and the massively enlarged Soviet Navy operating in the North Atlantic. As military experts grant Scot-land an increasingly important position in the NATO defence system, then Rosyth becomes ever more a principal cog in that network. Added to this strategic position is the yard'a specialised skill at refitting the four Briish Pularis submarines, the only British yard to under-take such work. The future would seem assured in spite nf defence cuts particularly if the nnclear deterrent continues to be submarine-launched. Of the six nuclear submarine refits which have taken place at

Rosyth, each costing some £50m and lasting 18 months, all have been completed on time. This record has deeply impressed and has hardly been bettered by the American yards although the critical priority given to the Polaris refits has led to problems elsewhere at the dockyard. Rosyth has not escaped the industrial relations turmoil which erupted in other parts of

the British ship building and ship repair industry. Some sug-gest that the boundaries between the large number of unions represented at the yard and the demarcation between particular jobs are as rigidly and damagingly drawn as tha battlelines at Intland. They certainly have not all Naval dockyards in full emfollowed the flexible example ployment. It is a case of manage-

lately set by the civilian yards

on the Clyde. Rosyth workers, ing out a way to secure the iocluding newly-fledged appren-fnture."

SERVICING WARSHIPS is a allowed to languish. With no tices whose four year training at major industry which has grown shell-buckled ateel to unbend up Rosyth is recognised as being Dreadnoughts to maintain in second to none because of the peak seaworthy condition, quality required, have been Rosyth went on to a care and tempted away by the large pay maintenance basis. Entire packets offered at civilian yards building the hardware for the North Sea oil industry.

These workers bave been

willing to trade higher pay for less security and the present shortage of about 150 skilled personnel bas been given as a principal reason for the loss recently of a £3m order at the yard. The Ministry of Defence pnt a completinn date of 1981 tha submarine shock test vebicle used to discover bow submarine equipment withstands underwater explosions.
The yard was unable to guarantee delivery before 1983 chiefly because key trades were required for higher priority work. This same shortage has put back the completion date of the major refit on HMS Londonderry by six months and also means that the current work on HM Submarine Ocelot is almost certainly the last refit nf a conventional submarine that will be carried out at Rosyth.

#### Announced

Mr. Jack Bedbrook, general manager of the dockyard, recently announced that no further conventional submarine would undergo refit at Rosyth but that the trade union representatives had been approached to discover ways of keeping the submarine shock test vehicle at the yard. Trade imbalances and pay rates which compared unfavourably with the oil-related industry ontside the yard had caused difficulties but he seemed confident that all sides were determined to solve the problems. There was no immediate threat to jobs at Rosyth because of decisions taken by Dockyard Headquarters at Bath over the yard's programme of work. In a statement, Mr. Bedbrook said: "The Navy has more than enough work to keep this and

ment and trade unions hammer

Rosyth as a base for commissioned warships shelters mine-hunters, fishery protection vessels and the island class patrol vessels now entering service. The lanes leading to the dock-yard are busy with a wide variety of warships often from countries which are partners in NATO.

But ashore the most tangible

recent indication of a lnng-term future for Rosyth has been the £10m ship-lifting facility now being installed which will allow vessels of up to 1,600 tonnes to be physically lifted from the water and transported to covered workshops where up to five vessels can be worked on simul-taneously. The "Synchrolift" will replace three nld floating docks and should be commissioned in 1980. Selection of Rosyth for the facility is hardly a sign that the Dockyard Head-quarters in Bath have any thoughts about putting the dockyard back into its mid-war mothballs. Given the heavy workload and the modern equipment which exist and a more flexible agreement with the workers, which is now being actively sought, the Royal Naval dockyard should have a secure

Paul Prescott

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# Marketing

# When America catches cold

Y-ANTHONY HARRIS

re. They have painstakingly iistakes-not for long.

If there is a link, though, how oe can equally imagine that nd intervention goes the other vay, tighter U.S. credit could aise intereat rates in Germany nd Japan, say.

#### Hidden oddity

This is all so ohvious that it nay hardly seem worth saving: rut there is a hidden oddity. This statement is a perfectly good description of what hapena between the U.S. and Jermany, but a completely vrong description of what hapens between, say. Denmark and Jermany, where intervention ia ictually preacribed by the rules if the currency spake. When be Germans have to support he-Kroner, the tendency is to lepress interest rates in Gernony (though only marginelly), out to raise them in Denmark. It is equally true of course that pur own interest rates abot up when the pound was under attack. The reason is simply ibut a loss of funds across the archanges tightens credit fairly automatically. It is 9150 ganerally true that money supply Eveo then, though, U.S. rates growth tends to undersboot even modest official targets at such

The peculiarity, then, is the peculiarity of U.S. monetary policy. This is deliberately de-

f Indicates programme in black and white

BBC 1

(Ultra high frequency only).

9.38 For Schools, Colleges, 10.4a You And Me. 11.00 For Schools,

Colleges. 12.45 pm News. 1.00 Pehbla Mill. 1.45 Fingerhobs.

2.01 For Schools, Colleges. 3.53 Regional News for England (except London). 3.55 Play

Sebool (As BBC-2 11.00 am /. 4.20

Touche Turtis. 4.25 Jackanory.

ACROSS

natiog (8, 4)

may be (7)

when out (a)

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(7) # 3 Grask!

children (6-4)

I Criterion the French politi-

10 He takes notice, being the

11 Oriental as cats and twins

12 Saint may get exhausted

13 Distressed with silver on

22 Transferred when eodorsed

24 Coach could he one part of

26 Rubbish found in first of

27 Allowence given in board-

28 I'd return south with con-

DOWN

chary following (8)=

2 Proposer of health to flower

tract in difference of opinion

French name and unusually

province having

buses in garage (7)

iog-house? (7)

cian follows could be illuni-

6.40-7.55 am Open University

NE OF THE more durable aigned to insulate U.S. domeschiefs in the City is that Wall tic conditions from flowa aeross reet interest rates are one of the exchanges. These rules were e most important influences appropriate when there was a 1 fates in other places. For world dollar shortage: if the x years, ever since President U.S. was providing most of the ixon floated the dollar, econo-ists have heen inclined to could not be allowed to cause a seer at this as a piece of folk- prolonged recession in the U.S. itself. The same approach has oplained that under a floating been very handy during a period gine, monetary policy be of what is politely called benign omes autonomous. Yet the paglecl, and has in fact been an arket goes on watching Wall offensive one designed to get treet; and markers don't make the D-mark and Yen exchange rates up. locidentally, if the Germons and Japanese bod been oes it work? The first fact to less willing to intervene on the ike into account is, of course, exchange markets, the same ref dean floating, but of very without such a vast growth io irty finating. In the last two world liquidity, and U.S. policy ears official exchange interention has been more than a hit earlier, to the great bene-nough to offset the U.S. cur- fit of the U.S. current account.

nough to offset the U.S. curent account.

ent account deficit, and has ideed accommodated large apital flows too. This offers a are, not from where we might erv simple linkage of the oldashinned gold-slandard kind. When U.S. policy is overaxpensive, money flonds inta would ston intervening, and ther condities and drags leave exchange rates where ther conotries and drags leave exchange rates where nterest rates down there too, they are, the U.S. would at last one can equally imagine that become like any other country. hould the Fed ever tighten able to pursue an appropriate ufficiently to drag in a large domestic policy without capsing low of funds from nvarseas, waves all over the warld. But after vast speculation against hean vast spaculation against the dollar—private holders selling to the Buodesbank, the

Swiss and others a dollar recovery which is at all sustained will provoke a portfolio adjustment the other way. Given the fact that the Germans would no doubt love to chack the growth of their awo money supply hy disbursing unwanted dollars from their swollen reserves, and that dollars will sooner or later he capital flows and pay for U.S. exports, dirty fisating is atill very clearly in the tea leaves;

#### British policy

Does this mean us? Since it is basic British policy to float cleanly, you might hope that we could sit this one out; and indeed it is even possible, if oil pricea go on rising, that the Norlb Sea will be so big an asset that sterling will be ottractive eveo at sub-U.S. interest rates.

# The saving grace of a cottage

SOME ADVICE, this week, for those of you who own a cottage away from it all and bless your luck that you do not actually have to live there while the weather is warmer outside than inside and the ice is forming in the sofa cushions. Perish the thought that I ahonId ever be landed with such a home. That horribly English combination of damp plaster, low-flying beams and advecture-staircases for the weekend is quite lost on me. I do not want a house which looks like a tea-pot.

The garden, of course, would be another mattter. Several of you baye written to ask bow you can recapture the spirit of the old cottage garden at points between Westmoreland and the Dordogne. There are a hundred ways of going about it, but I have some views, having watched a neighbour whose own cottage-garden grows anything late we do not live in a world ault would have been schieved from chickens to early heana under glass cloches and puts me entirely to shame.

The fashion for cottages seems to have takeo root in that Bge of all ills, 1810-1830. Repton and Nash have a lot to answer for. They dignified the labourer's home by a romantic revival of all that makes me run most quickly for cover in

rusticity. This self-out by reit tends to blow loose in the thick base of cinders and edge
spectable architects led straight wind and to be grafted onto too
them with upturned stones,
In to the fancies of the Victorlong a stem. A semi-standard Cottage paths never used to
ian villa-suburb, one of the most
New Dawn is just right. Six what and zig-zag until the ian villa-suburb, one of the most tory of our towns. Nowadays, we have to pretend to like it be-cause it is old. The cottages' gardens, fortunately, have been left to go their own way.

There are certain things that a good one should have. Standard rose trees come high up on the list. You can see what I mean from a photograph in Miss Jekyll's old Wood and Garden (1900). Just such a standard rose is being tended by what she calls a " good-wife." in the chapter between her deeply Frendian reflections oo log-splitting and ber advice on how to treat employees. Do not forget that good rose-norseries seli all manner of roses as standards on a long stem. The modern oranges and Icebergs are quite wrong. Go for a smaller-flowered double variety. Little White Pet being excellent if you can find it. This small white rose continues 10 button shaped flowers from July aill October, throwing up rose-bed hnds as a contrast. David Austin Roses of Albrighton, Wolverhampton, have been selling it as a

regrettable turnings in the his- or eight in a line at regular middle classes got bold of them.

intervals can dignify any cottage gardeners were practiflowerbed or line any cottagepath. Sad to say, the beavily waddle directly from A to B.
petalled old roses are oo longer trained up by most growers to "island" beds. They belong the height which Miss Jekyll's with mock windmills. Ornailly summer all uring than the classes got bold of them. Bo not never to make the contract of them. Bo not never the contract of the contract of them. Bo not never the contract of the good-wife" favoured. But a mental milk-maids, and ponds

#### **GARDENS TODAY**

BY ROBIN LANE FOX

cage of four tall stakes inter- for gnomes. None of these laced with wire is still a fine belong in a cottoge garden. home for some of them. My pink. She trains upwards very well. But there are maoy others dark red Gipsy Boy, Tour de Malakoff, Variegata di Bologna and so forth.

Around these firm focal points, you have to have masses of flowers. In this sense, a true cottage garden is not the easiest style for a week-end gardener. You do not want too much space. hut it should he universally the fairy world of modern interior design. Not just gothirk,
with stress on the "k," but
Tudor-bethan revival, orné silver pink climber which
the fairy world of modern interior design. Not just gothirk,
with stress on the "k," but
to buy a weeping standard, as

The should he tanversally and suitably worn paths. Conclumps of lily of the valley,
and suitably worn paths. Conclumps of lily of the valley,
and suitably worn paths. Conclumps of lily of the valley,
and suitably worn paths. Conclumps of lily of the valley,
and suitably worn paths. Conclumps of lily of the valley,
and suitably worn paths. Conclumps of lily of the valley,
beds of their in the centre.

Your cottage is of brick.

Standard.

If you want a bigger flower,
cultivated with next to no lawn
ragged. It mixes well with
crossing the other in the centre.
Your cottage is of brick.

Sums up one general lesson
and essential plant for cottage
heds of their intersections with should try to contrive
plants of quite random height.
The miking indicriminate profusion.

White hoarding and tile-hung to buy a weeping standard, as favour, especially if you lay a delicious flower prefers ahade.

The mixes well with
and the reaves as thus, so the crossing the other in the centre.
Your cottage is of brick.
Conclumps of lily of the valley,
you can then plant up the four
sums up one general lesson
and essential plant for cottage
heds of quite random height
which should try to contain the four
sums up one percurve lesson
and suitably worn paths. Conand suitably worn paths. Conand essential plant for cottage
heds of quite random height
before the valley,
you can then plant to constitue of the valley,
you can then plant for cottage
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You can the plant for cottage
heds of quite random height
b

How, then, do you contrive

favourite is still the deeply- a mass of flowers in a small scented Mms. Lauriol de space without taking on too Barney, a large-flowered silver much work? There are certain creepers and covers which are quite in keeping with their surrounds. The yellow-green flowered ladies mantle is the most invaluable. It aeeds itself everywhere and excludes all weeds. In a shady border, the old spotted dog, or pnlmonaria, has the right air. The pink and blne flowers are a joy in April, but you should then pull out the leaves as they soon become

You can plant it any time now. Rivers of Aubrietia have been popular in the Cotswolds, but I think they can be uverdone. Do not have too much. Thyries, sun roses and good runs of viola cornite and the rampant blue campanula "muralis" are more harmonious choices. The lemonthe mustard-yellow, All these plants will block out annual weed and nave you some of the bother.

Remember that your ideal should be a formal plan, quite unfussy, with a profusely informal planting. There is a tendency to grow one or two of everything and excuse it as a cottage-style. But the best rustic gardeners seemed to me to have a firm base of three or four old favourites which they used en mass:. My choice would he pinks, ladies manile, and as many hundred aquilegias as you can raise from seed: these fine flowers can be tucked in anywhere. The main borderplants, rather, were used among them in random clumps of twos or threes, here an iris, there a tall bunch of delphiniums and a double-flowered peony or two. yellow and orange cuttage gar-Heights do not motter too much. If you divided a samil plot with two straight paths, one crossing the other in the centre, your cottage is of brick. For it

of flowers and vegetables is a far truer touch than an get goureda beebive bought in a limited edition.

Flowers from seed are troublesome but crucial. The lucanials which you sow in May for the fullowing year are all excellent. Sweet William and Canterbury Rell are to me the high spots of the cottage plot. But salvia turkestanica and evening primrose are their equals, while there is aiways room for a well-coloured clump of hollyhocks. Annuals, of course, are no less important, especially those which you can tuck in anywhere like love in a mist and the precious nasturtium. Place a few evergreens. for emphasis, above all the spreading resemany, then plant up drifts of these two summer flowers. Add well-grown stocks and as many sweet peas as you can manage. Fennel, Jellow verbaseum and the low-growing hyssop are superb perennial enmpanions. Go for plants which are emphasic in shape and outline among your mass of familiar summer annuals.

If you want ideas, the red. den at Sissinghurst Castle, in Kent is still the must fertile source of them, especially if sums up one general lesson. You should try to contrive inforplants of quite random height. mality in a formally-olanned Verstables and raspherry-canes space. That is never done by

# Good prospects for Windsor

standard.

afternooo's Fairlawne Chase of four-year-old hurdler m Michael making his debut under Windsor has been weakened by Stoute's 80-strong Newmarket National Hunt rules. the withdrawal of 10 candidates string, has made just one including Gay Spartan and appearance to minor obstacles. if racing is called off hecause there is an intriguing race in prospect for the Hatch Bridge

I think there is likely to be a closely fought finish between Salutiferous and Ahmadi.

A Welsh Pageant gelding, trained by Fred Winter, Ahmadi receives 6 lbs from Salutiferous.

> RACING BY DOMINIC WIGAN

Although Gay Sportan's stable companion, Silver Buck, will be s popular choice in the Fairwill be the point of reference.

In a dirty-floating world the Fed's apparently isolutionist policies still give it a unique bred Purdo who should be ideally suited by the three miles in the point of the point of

appearance to date over the

Two months' ago at Fakenham, the chestnut Sailust colt, a more than useful performer on the flat, justified beavy support with a fluent win in the Cromwell's Night Club juvenile

Sent into the lead at the sixth flight, in the capable hands of Steven Smith-Eccles, Saluti-ferous settled matters with a decisive turn of foot after clearing the penultimate flight. Kept up to his work on the run-in, the Beechhurst colt passed the COW AND GATE IRELAND, a post with eight lengths in hood had the remaining 16 runners well strung ont.

Although it is difficult to judge the value of that form Lasken's subsequeot third. 30 additional jobs. placed effort behind Meot ferous put up a more than ment of storage facilities.

ALTHOUGH the field for this The first-named, the sole encouraging display for a colt

WINDSOR 2.30-Well Offed

3.00-Salutiferous 3.30-Purdo" 4.00-Breemount Don

#### Wexford plant to expand

4.30-Mace The Ace\*\*

post with eight lengths in head wholly owned subsidiary of of Derring Gift, who, in turn, Unigete, is to spend £2.2m on modernising production and expanding capacity at its baby food factory in Rocklands, Co. Wexford, creating an estimated

The main items of expendi-More and Ahmadi at ture will be new production Fontwell, suggests that Saluti- equipment, and the improve-

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EVEN 5.00. Thurs 1.00. Set 5.00. 8.20

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Society of West 8nd Theatres Award

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SVENT TO TREASURE D. Mer. TMAY

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YEARS, Sonday Times MAYFAIR. 829 3038. 493 2031 (Green Park tube). Mon.-Fri, 3.00. Sat. 5.15 and 8.45, Freview 13th red. prices 14th 7.30 TONY SSLEY. DAVID DIXON FLASHFOIRT by Ton Kembiest Directed by Anton Rodgers "A lease yet comic Brama" — How would you have reacted —

MATIONAL THEATRE 228 2251.
DLIVIER upon stage): Tompet & Tomor, 7 30 THE DOUBLE LEALER by Congreve LYTTE, TON 1:00 Seeman 1:201: Today 3:00 flow price mail & 7.45 SETRAYAL new play by Pritte, Tomor, 7.45 The Philanders, escall Auditorium): Yonight & Tomor, 6:00 THE LONG YOYAGE HOME by Especial Auditorium): Yonight & Tomor, 6:00 THE LONG YOYAGE HOME by Especial Concess, 2:13 theatres der of perf. Car park, Restauran 9:28 2835. Credit card bookinss 7:20 3052.

OLD VIC THEATRE 01-922 7616
VIC Company in Shakes-ear's Trilogy directed by Michael Bogdanov, Thurs, 7 p.m. NAMERT, 5at, 7/30 THE TEMPEST, RECHARD HI returns february 28,

NTERFESTION NUMBERS ASSAULT NEW YORK NO. 125 NO. 1437 6834 MONTHORS 8.00, Fri, and Sac. 8.00, R54 MONTHORS 8.00, Fri, and Sac. 8.00, R54 NO. 155 NO. 1 Dilys WATLING Brian MARSHALL and WAYNE SLEER, "One of the best dressed and funniest partons to be stare at the Palladium for year," D. Mir. BEATS AYALL FOR TODAY'S PERFS.

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DIANA RIGG. JOHN THAW IS
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"A DREAM OF A BHOW." 8. News
by SETE TOWNSYNEND and THS WHO
ALLAN LOVE, PETER STRAKER
ANNA NICHOLAS and BOS GRANT

RAYMOND REVUEAR. CC. 61-734 1583
At 7:00. 9.00. 11.08 um. Dpens Sunday
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Fri. 7.30, Sab. 7.30 & 9.30 WINSTON
NTSHORA IN FILL PRINTIAL IN
Michael Hastings Top't, Terror, 9 mm,
Reberger Reacing of THE ARCHANGEL
MICHAEL by Grorn Markov.

MICHAEL by Grond Merkon.

VAUDEVILLE CC 81-83R 9808
LIMITED SEASON. Evg. R. Uaril: March 3
ASPECTS OF
AN EVENING DE LAUGHTER

"Come strikes, lain of public transport
while Max Well to in London there is
nowhere sies I would rather be." D. Mesh
"A TREATURE TROVE DE THE
COMEDIAN'S ART. A INNIQUE AND
INFLIGHTFUL EXPERISNCE IN THE
COMPANY DE OUR GREATEST
VAUDEVILLIAN." Fin. Times

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VAUUNVILLE 836 9989 Mar. 8-18
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EVST. 8.00 Met. Work 81 Spt. 2-45
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5ep. gove. An sees Bookane. 1. Superman (Al. Work and Sun. 2.00, 5.00. 8.16. 2. FOUL PLAY (Al. Work and Sun. 2.00, 5.18. 2.10. Last six days. CAMDEN PLAZA Topp, Camber Town Tuber, 485 2443. Cahma'n EMPIRE OF PASSION (X). Progs. 2.25, 4 SO, 6.45, 9.16. Rth week.

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ODEON, Marbin Arch. W2 (723 2811-2) Farral) Pawcett-Maiors. Jes Srides in SOMEBOOY KILLEO NER NUSBAND (A) See, gross, Wks., doors open 2.15. 5.88, 8.00.

STUDID 1, 2, Oxford Circus, 457 3300.

1: An all-star cast in Robert Albrien's
A WEDDING (AA), Prog. 2,28, 5,18,
T.56, Las Show Sat. 10,45 pm.
2: Agatha Christie's DEATH ON THE
NILE (A), Progs. 2,30, 5,25, 8,18, Late
Show Sat. 16,40.

TMACKERAY GALLERY 12. The May 22. Kensington 5q. w.s. 81-937 5863. NICHOLAS RARNHAM LINDSAY BARTHOLOMEW AUDREY LANCEMARK. Until March 10.

Graham's Gang. 5.35 Noah god elly. Reporting Scotland. 11.35 5.40 News (London and South- Weatherman, 11.36 Referendum East ooly). 5.55 Nationwide.

7.35 Morecambe and Wise at

the BBC. 9.00 News.

9.25 Spartsnight. 10.15 The Risk Business, 11.35 Weather/Regional News.

All Regions as BBC-1 except 4.40 -Take Hart. 5.00 Joho at the following times:-

F.T. CROSSWORD PUZZLE No. 3,903

10.45 Parosi. 11.00 Play School.

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683kHz/433m

Report 11.46 News for Scotland. 6.20 Notionwide from Scotland and Wales.
6.50 Noel Edmonds' Lucky Numbers.

Northern Ireland-3.53-3.55 pm Weather for Northern

England—5.55-6.20 pm Look East (Norwichl; Look North (Leeds, Manchester, Newcastle); Midlands Today (Birmingham); Points Weat (Bristol); South Today (Southampton); Spotlight

6.40 -7.55 am Open University. 10.20 Gherhar.

6.55 Tales trom Hoffnung. 7.50 The World of Rughy. 8.15 The Maney Programme

9.00 M"A SOH. 9.25 Where We Live Now.

11.30 Late Newa. 11.45 Closadown:

9.30 am Schoola Programmes. 12.00 Cloppa Castle. 12.10 pm

Radio Wavelengths

31215kHz/247m & 90-92.5vhi stereo

42 92-95vhf

Thames News. 1.30 Crown Court.
2.00 After Noon Plus. 3.20
Kitchen Garden. 3.50 Letter By Letter. 4.20 How. 4.45 Park
Ranger. 5.15 Little VIc.

URANADA

1.20 pm This Is Your Right, 2.00
Live From 2. 5.10 Mex the 2.000-year-old Meuse. 5.15 Crossroads, 2.00
Grande Reports, 6.30 Give Us a Cluc.
11.40 Whet the Papers Say. 12.00 The Practics. Rainhow. 12.30 The Cedar Tree. 1.00 News plus FT index. 1.20 Thames News. 1.30 Crown Court. 2.00 After Noon Plus. 3.20 Kitchen Garden. 3.50 Letter By

6.25 Help! 6.35 Crossroads. 7.00 This Is Your Life.

7.30 Coronatioo Street. 8.00 Leave It To Charlie. 8.30 Take My Wife. 9.00 Once In A Lifetime. 10.00 News.

10.30 Mid-Week Sports Special. 11.40 Guinnesa Golden Darts. 12.10 am What The Papers Say. 12.25 Close: Peter Henry-Jones reada from the writings

of Mao Tse Tung. All IBA Regions as London

except at the following times:-**ANGLIA** 

ATV 1.20 pm ATV Nawsdesk. 5.15 The Rolf Harrie Show. 2.00 ATV Today. 11.40 A Twist in the Trile. BORDER

CHANNEL 1.14 pm Channel Lunchtime Hows end What's od Where. 2.25 Family. S.15 Emmerdals From. 2.00 Channel Hows. 8.18 Funky Phantom. 10.28 Channel Late News. 11.30 SWAT. 12.26 Egilogos followed by News and Waather in French.

GRAMPIAN 8.25 am First Thing. 1.20 am Gramgian Haws Headlings. 5.18 Emmardsle Farm. 8.00 Gramgian Today. 10.30 Streets al 8en Francisco. 11.40 ReSections. 11.45 Wastside Medical. 12.40 am Gramgian Lete Hight Headlings.

**22C Redio London:** 

Casital Redio:

RADIO 4

6.00 am News Briefling. 6.10 Farming Today. 6.25 Shipping forecart. 6.30 Today: Magazina, including 6.45 Pray fer the 0sy. 7.00, 8.00 Today's News, 7.30, 8.30 News Headlines, 7.45 Thought for the Day. 8.35 Yesterday in Parillement. 8.00 News. B.05 The Living World. 0.35 On Location, 10.00 News. 10.05 Gerdeners' Question Time. 10.30 Daily Bervice, 10.45 Meming Story. 11.00 About Face. 11.45 Listen

1458kHz, 206m & 94.9vhf

1548kHz, 194m & 95.8vhf

1151kHz, 261m & 97.3vhf

London Broadcasting :

1.20 pm Report West Headlines, 1.25 Report Waies Headlines, 5.20 Crossroeds, 6.00 Report Wast, 0.18 Report Weles, 6.30 Emmerdale Farnt, 11.40 Barneby Jones, HTV Cymru/Wales—Ae HTV General Service Sacest: 1.20-1.25 pm Penewdau Newyddion y 0ydd, 4.20-4.45 Rydw 1 am Fod . 6.00-6.15 Y Dydd, HTV West—As HTV General Service except: 1.20-1.30 pm Report Wast Headlines, S.15-6.30 Report West

SCOTTISH 1.25 pm Nawe end Read end Weether. 5.15 Teatime Teles. 5.20 Crossroade. 8.00 Scotland Todey. 6.30 Report—leaking el the future ol Scotland e cover supalies. 10.30 Referendum 79. 11.15 Lete Call. 11.20

SOUTHERN 1.20 pm Southern News. 2.00 House-perty. 2.25 Young Remsay. 5.15 Sinbad Junier. 5.20 Crossroade. 8.00 Oay by Oay. 6.20 Scena Mid-week (South-East aree only). 11.40 Southern Naws Extra. 11.50 The Electric Theatre

8.25 am The Good Word Iollowed by Horth East News Heedlines. T.20 gm North East News and Where The Jobs Ars. 5.18 Laverne and Shrriev. 3.00 Hortham Life. 11.30 Pelice Surgeon. 12.00 Eailoges. ULSTER

WESTWARD 12.27 pm Gua Honaybure Birthdeys.
1.20 Wastward Hews Heedlines. 2.25
Family. 8.15 Emmerdela Finn. 8.00
Wastward Olery. 10.28 Westward Late
Hews. 11.40 SWA7. 12.30 am Faith
Far Lime. 12.35 Wast Country Weether
end Shipping Forecast.

YORKSHIRE 1.20 am Calendar Haws. 8.15 Mr. end Mrs. 6.00 Calendar (Emley Moor and Belmon1 aditions). 11.40 Electric Thestra Show.

RRC Radio London

London Broadcasting

2 (S). 9.90 Naws. S.05 This Week'e Camposers: Andree and Giovanni Gabriali (S). 9.45 Celle and Plene aonates (S). 70.30 Music lor Organ (S]. 11.55 A Russian Wind Ensambla (B). 11.50 Middsy Concert (S). 1.00 pm Naws. 1.05 Concert Hall (8) 2.00 Symphanica From the New Warld. (S). 3.00 The Sheatskeylch Quartets (S). 3.55 Romanien Folk Music. 4.25 Hummel chamber music concert (S). 5.10 Young Music-Mekera (S]. 5.25 Homeword Bound. #5.45 Naws. #5.50 Homeword Bound. #5.45 Naws. #5.50 Homeword Bound. #5.45 Naws. #5.50 A1 Home: Schnebel plays Basihovan. 7.10 "Play el Cenlel" Liturgical drama (B]. 8.00 BBC Bymphony Orchestre, sart 1 (B). 8.45 The Arts Werldwide. 9.05 BBC SO, pert 2 (S). 10.05 Bciantifically Sasaking. 10.50 A Time And A Place (S]. 11.55-12.00 Hews. VHF ONLY 6.00-7.00 am and 5.45-7.10 pm Open University. Capital Radio Capital Madio
6.00 cm Gmhem Bare's Braskisst
Show (S). S.00 Michael Aspal (S).
12.00 Dave Cash (a). 3.03 pm Roger
Scott (S). 7.00 London Today (S).
7.30 Adrian Love a Open Lina (S).
9.00 Nicky Heme's Tour Mother
Weuldn't Like It (S). 11.00 Tony
Mysit's Lato Show (S]. 2.00 sm
Dunčan Johnson's Night Fight (S).

with Mother. 12.00 News. 12.02 pm You and Yours. 12.27 Tell Me Where It Horts (S). 12.55 Weether: erogramme news. 1.00 The Werld at One. 1.40 The Archero. 1.65 Shipping Forcesst. 2.00 News. 2.02 Weman's Hour. 3.00 News. 3.05 Aftermeon Theatre (S). 3.50 Chersl Evensong (S). 4.35 Story Time. 5.00 PM: News magazine. 5.50 Shipping lesecest. 5.50 Weether; programme naws. 8.00 Newe. 8.30 My Music. 7.00 Hews. 7.05 The Archers. 7.20 Checkpoint. 7.45 Reyreuth: The Wagner Opers Heuse and its Festival. 8.45 Analysis: Yeu can take a Neddy to water . 8.30 Today in Synod. 9.35 Kaleidascope. 9.59 Weether: 10.00 The Warld Tonight. 10.30 The Mavia Moguls (Samual Goldwyn). 11.00 A Beok at Beddime. 11.15 The Finencial Warld Tenight. 11.30 Today in Parliement. 12.00 News. 6.00 am Meming Music. 6.00 AM:
Hews, Information, Travel, Bpert. 19.00
Brian Hayes. 1.00 pm LBC Reports.
3.00 George Gale. 4.00 LBC Reports.
(continues). 5.00 Alter Eight, 9.00
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CLASSIC 1, 2, 5, 4, Oxford Street, 632
OS18 1000. Tottenham Court Rd. Tubel.
1: FRNAL 'DAY! Elikott Gould. James
Brolla, Telly Savalaz, CAPELCORN GNR
(A). Cont. from 12,45 pm.
2: SGT, PEPPERS LONZLY HEARTS
CLUB RAND IUI. Cont. from 1.15 pm.
3: FINAL DAY! Gcick Hawn. FOUL
PLAY IA). Cont. from 1,28 pm.
4: Clint Saskwood. EVERY WHICH WAY
BUT LOOSE LAAL Cont. from 1,38 pm.

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FISCHER FINE ART, 30. King St. St. Jinmer'n. S.W. 1. 01-839 S942. Recent work by two Canadian Realists: II. RROWN and JEREMT SMITH. Uncl. 9 March. Mon.-Fri. 10-5.38. San. 10-12.30. MARLBOROUGH, 8, Albestarie St., W.1. TOM PHILLIPS, Paintings, Watercolours and Drawings, Mon.-Frl. 10-5.30, Sat. 10-12,30, 10-12.30.

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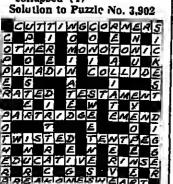
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north-east (4) 5 One who cames plot on a hill (10) 6 A win ooce more (5) 7 Grateful for entrepties to editor (7) 8 What the butcher may give

in vicissituda (4, 3, 6) 9 Late calculation made by sailors (4-9) 14 Stolen breakfast food? (7.3) 15 In ice-cap of altractive 17 Metal put Milan io disorder

18 Character on stave in panic 21 Eggs changed into applause



Scotland--11.00-11.20 am and 2.18-2.38 pm For Schools. 5.55-6.20

Weather for Wales. 8.05 The Aphrodite Inheritance. Northern Ireland News. 5.55-6.20 Scene Around Six. 11.35 News

Ireland.

South-West (Plymouth).

4.50 pm and 5.40-6.55 Open University.

7.05 Top Table. 7.40 Mid-evening News.

10.50 Jeao Rapoir—a tribute.
11.25 My Kind of Movie: Sir
Pater Hall oo "The
Geogral."

10.25 The Incas Book of

Clossdown: Reading: Ods on the Death of a

†1.20 am Border Haws. 2.00 Heuse-garty. 2.25 The Family. 5.15 The Roll Harris Show. 8.00 Looksround Wednes-day. 11.30 The Practice. 12.00 Border News Bummery.

1.25 pm Anglie Hews. 2.00 Housepstry. 2.25 Family. 5.15 Mr. and Mrs. 6.00 About Anglis. 11.40 The Company Men. 12.40 sm The Big Questien. TYNE TEES

1.20 pm Lunchilme. 2.25 The Electric Theatre Show. 2.55 The Untarmed World. 4.12 Ulster News Hasdlinec. 5.15 Cartoon Time. 5.20 Crossroads. 8.00 Good Evening Ulster. 8.00 Eritree. 11.40 Bedtime.

#### THE ARTS

O'Keefe Centre, Toronto

# Canadian Ballet Gala

by CLEMENT CRISP

Chief jollification was a gala the score, impelling ber dancing bert and Sullivan, along its phrases, moulding ber What could be m

The National Ballet of Canada interpretation with no fuss or than Haydee's Kate as she starts. Opera, she dances with impechas just started a month's mannerism. Here the ballet had in combative mood — Kid cable ease and crystalline tone. Season in Toronto. Despite the the wings it elsewhere lacked. Marcia, the terror of the ring. In the nonsense of Coranire—

season in Toronto. Despite the rigours of the direct winter the city has known in decades—last Friday night the local television station urged people to stay at home rather than risk tha paralysing cold brought by arctic winds—andiences at the O'Keefe Centre could not have been warmer in more enthusias—been warmer in more enthusias—be hand in two duets to demon-shattered by Haydee's flouting strate what I now feel is a of the Queensberry rules as she supreme artistry in the partner-stamps first on one of his feet on Valentine's Day with the supreme artistry in the partner-company and its guest stars in ships of our time. They first and then the other, his riposte festive form. The opening Les romped through the pas de deux of pulling ber feet from under Sylphides suffered from gala which John Cranko devised as ber unleashes the unseemliest nerves—a later performance an essence of Kate and Petand funniest brawl in ballet. was more relaxed and airy in manner—but it featured one interpretation of real distinction. This was Mary Local view of the Shrew. As with Alfred too is their dancing. Cragua whith the content of the street of tion. This was Mary Jago's view Lunt and Lynn Fontanne, Hayof the Prelude, in which she dee and Cragun are artists ping off triple tours en l'air as shaped this most difficult solo absolutely attuned to each other, if they were the simplest of with a sensitive "inspirational" their responses never automatic, activities, deploying the prodi-musicality. At every moment I but vivid, and an indissolubly gious resource that make him felt that Jago was listening to right as bacon and eggs, or Gil-one of the great dancers of our ert and Sullivan. time, unites virtuosity and What could be more adorable artistry. Haydee complements every moment with dancing of lovely limpidity; emotion is precisely focused in a style that is characterised bere by a spit-fire attack. Hay-dee can be wildly funny, yet she remains beautiful because

what shines through her every action is a spirit great in its sincerity as in its dramatic In a second number, the Legende that Cranko made for them to Wieniawski'a score of the same name, Haydee poured out a world of meaning into a simple pas de bourrée, and drifted and soared in Cragun's arms in an outpouring of ecstatic feeling. The piece is a summation of that instinctive rapport which unites these two marvels, and we can but be grateful for their dancing and lost in admiration of a partner-sbip that finds Cragun spinning gloriously, then catching the darting figure of Haydee on the wing: a moment of hravura that makes the catch-as-catch-can manner of Spring Waters seem like circus stuff.

with the Don Quixote pas de They have the relaxed charm few seemed really worried about deux, without which no gala is and physical wit that allowed to be a gala. Kain is not best suited to such taradiddle; Just as the band on stage play while saddening it was not him, and be evidently under the bappiest ease. Karen Kain least indifference towards this stands that a lion-tamer's is delicious as the girl in the approach is the best way of deal-red hat, hubbling over with fun; spread? ing with the matter; one flicker of fear and the beast will devour you: treated masterfully, it will go through its paces.

A display of the anthority

needed in such concert items was oiven hy Noelia Pontois and Peter Schapfess in the Corsaire duet. Poptois is too little known to Anglo-Saxon audiences. A de-

wberein she opted for a variation from Paquita—Pontols revealed a most refined style, for even in such circumstances. breeding will out. Pontois exemplifies the very best qualities of the Franco-Italian manner that has developed at the Opera since the turn-of-the-century days when the technical example of such Milanese ballerine as Zambelll and Boni vanquished the earlier French manner. Brilliance in nironettes complete control in balance, a feminine charm and delicacy. brightly sparkfing points, all are the outward signs of the style, and delightfully aresent in Pontois' darcine. I have to be described as diamond-like: Pontots' schooling— piltter-ing. brightly faceted—sbines

With Peter Schaufuss as her partner there came the in pariner there came the intriguing complement of the style of dancing that France has lost. Schaufuss has the noblest lineage possible for a male dancer. He is descended through his Danish teachers, from Hans Beck, Bournenville's longest-surviving pupil, and thence to Bournenville's teacher, Auguste Vestris (who was born in 1760). Vestris (who was born in 1760) In six generations we are back to La Dieu de la Danse who made the French style of the Danish danseurs, and justify Schaufuss' inborn and justify Schaufuss' inborn and justify able anthority. Thus his dancing has a physical dignity which can transform the tricks of Le Corsaire; as with Yury Solovyov or Barishnikov, the body's accent is so pure that the danse d'école triumphe ownt the Eugenet terminals and the suspect to the second secon triumphs over the suspect text it speaks. But, as with Pontois, the result is neither cold nor academic; there is physical excitement in plenty.

The evening closed with Elite The National Ballet's own Syncopations in which the stars, Karen Kain and Frank National Ballet nf Canada's Augustyn, involved themselves dancers could not be bettered. Tomas Schramek, in Michael Coleman's Friday Night solo, is quick; debonaire. Two junior soloists merit special praise: in Wayne Eagling's role, Raymond Smith is mercurial, fleet, merry; In the sentiment of the Golden Hours doet, the beautiful Karen Tessmer is sweetness itself.

I bope to report nn some cade ago she anpeared in other company performances London with Festival Bollet, later, Meantime, we can lookaffirming herself a dencer of forward to the company's visit exceptional assurance. Now the to Covent Garden this Angust leading étoile of the Paris with pleasure.



Television

# When distress is necessary

by CHRIS DUNKLEY

This column has rarely defects that there was never tracted such a unanimous really any hope that they could have of approval as it did last fulfil those intentions. attracted such a unanimous chnrus of approval as it did last week by suggesting that the balance of the BBC's pro-18th century a vital formative influence upon the whole of 19th-century ballet. These facts are far more than dance history.

The area of the trivial. As usual the largest number of calls came from BBC employees, all agreeing and often fervently agreeing and often vilifying the offending pro-grammes (Blankety Blank, Superstars, Noel Edmonds' grammes Lucky Numbers and so on) in terms much stronger than any professional critic would use.

It was saddening to find, bowever, that few wished to express any concern about the article's point of departure: the probable disappearance of Tonight from BBC1 next autumn and its replacement by a chat show four nights a week. Though callers almost without exception were ready to disparage chat shows,

her style is so youthfully nice ragtime with a feeling for its and she seemed below her technical best. Augustyn showed for the than we know at Covent more presence as a premier dansor of the canadian cast seem than on my last viewing of the dances with the depression of the dances with the property and the property rade of the property case. Known Fall leaves the property case where Fall leaves the property case.

One of the answers presumably is the conventional one: that much that is described in CA programmes is of necessity "bad news" and the bringers of bad news are rarely welcome. Last week TV Eye provided a day-by-day description of the NUPE strike at one bospital. The pictures showed pickets on the gates, volunteers on the wards, nurses voting to back up the action of ancillary workers, and ancillary workers voting first to stay out and then to go back. It was a bighly effective if conventional exploitation of the mere 27 minutes at the programme's disposal, giving a very clear idea of the course of events at Bow.

Yet experience suggests that in bomes all over the country viewers will bave been grumbling "Oh not more of those wretched pickets" and stalking off to make a cup of tea.

"crisis specials," ITV's How and television becomes an in-Can Britain Work? and BBCl's creasingly integral part of life, Whot Kind of Society? (they it emerges that such super-could easily bave swapped ficiality is not inherent to all

vision producer covering a ITV saddled itself not only strike decides that he will not with the egregious David Frost take a piece of film of police and a participating audience which he inevitably described and pickets leaning on each other and another piece showas "a complete cross section, in ing chubby smiling men hurrysome cases very cross indeed" ing purposefully up Downing but also with landline or satellite links to Aubrey Jones in superimpose a commentary desuperimpose a commentary de-tailing numbers of arrests and "basic" wages, but will instead France, Milton Friedman In America, a businessman in Germany, and Alex Jarrett and send his reporter out to ask various politicians in London. some of the strikers why they are behaving as they are-a step which no one managed in

The result was entirely predictable: instead of being dominated by ideas or opinions or even facts the show was taken over by its own technology. After the faulty micro-phones had done their bit, the programme turned into a suc-cession of rapidly gabbled clichés packed into sets and linked hy the words "And now let's go over to-"accompanied hy a magician-like wave of Frost's hand.

The breadth of vision was terrific; the depth nil. The BBC's efforts were more

successful, but only marginally so. With Robin Day and Fred Emery both talking in the studio to politicians, trade unonists and husinessmen, Graham Leach reporting on German unions, Robert Mackenzie analysing the polls, Donald MacCormick in an outlying region asking if be could ask questions ("Can I go . . . Let me ask . . . Bisbop can I turn back . . . Can I put that over . . . Can I leave the last word . . . ") and the three political spokesmen duty-bound to represent party policies, the foreseeable result was once again immense width and no

Soch superficial raking-over, even of a vast surface, tells a moderately well-informed viewer absolutely nothing that be did not know already, conse-quently does nothing to carry bis thoughts towards possible colution, and thus serves only to sharpen the feelings of frustration be was previously suffer-

And bere we come to what seems a deeply distressing para-Doubtless there were very seems a deeply distressing para-similar reactions to the two big dox, because as time goes by

Once in a blue moon a tele-

the TV Eye programme. As the reporter digs below the surface (in the way that one did during the lorry drivers' strike, in a programme whose title now escapes me) it almost always emerges that the men, far from being left-wing iconies, are perfectly reasonable people who are not enjoying the strike one little bit, wish they could all get back to work, but can see no other way of protecting or furthering the interests of their co-workers who are vir-

tually powerless as individuals. Hence the desperation. It is one thing to lose patience with television when it presents probset of black and white stereotypes. But if it manages instead the far more subtle job of bringing the sympathetic human face into the sitting room and showing that society's problems can arise from the conflict of interests between a lot of greyish people all with pretty well equally good intentions, proving that there are really no villains to boo and no heroes to cheer, but just an endless succession of increasingly difficult

was good enough to get into this category. Called The Shirt Off Our Backs it explained the com-Our Backs it explained the complicated business of British and European clothing workers losing joba as cheap third world imports take over their markets.

Spot to expose all the relevant strata, and How Can British: Work? which scratches ineffectually across acres and acres of a single stratum on the surface.

The verbal content of the procould be transcribed on a frac-

at workers in factories in Britain and Belgium, and wheard them express their own in Hong Kong and in Ceylon and watched one lady walkin home through the forest in a tropical downpour to the great family crowd she supports on her weekly wage of £2.50 from the new shirt factory.

To see that and then to listen to Sid Isaacs in Lancashire asking what his factory hands are supposed to retrain as, since they are not cut out to he academics and technologists," Is to begin to lose sight of the black and white and see the grey. To follow the cameras then from the "Multi Fibre Agreement" io Geneva to the effects which such an arcane. agreement actually has on the . ground and on real people, and to move on to an explanation c Western aid for third worl manufacturing projects followed by Westero import quotas when the projects succeed, is to begin. as a viewer, to feel that lamiliar nagging frustration.

It is closely akin to the feel-ing produced by the realisation that 12 years after the sym-pathy-inducing achievements of more Cathys than ever, Human ineffectuainess in such matters leads the more fearful and hypocritical among us to call for restrictions on pictures of starving babies, homeless mothers (or strike pickets) on the pretence that they could make us "insensitive." In truth the embarrassment is more likely to come from the evidence of buman imperfectibility in such programmes.

cession of increasingly difficult choices to make between various evils—that can seem even more gramme the greater the distres The second of ITV's "Inside Europe" series, made by Granada Television in partnership with one American and the second difference between evils—that can seem even more depressing. ship with one American and five European television companies. was good enough to get into this The Shirt Off Our Backs which digs as deep as necessary in one

Neither supplies an answer. gramme, which was produced but whereas the first signi-and directed by Micbael Ryan, ficantly advances the point from which public debate can contitles). Both programmes CA programmes—yet the effect tion of nne FT page. But that tinue, the second leaves the seemed well intentioned, but of the rare non-superficial ones both bad such serious structural appears, at least at first, to be impact. The programme looked though slightly mauled.



Marcia Haydee and Richard Cragun In "The Taming of the Shrew

Theatre news in brief

David Edgar's new play, his first since Mory Bornes, comes to the ICA Theatre for three Theatre, March 26), Norwich

weeks from February 27. Teenthe touring group Monstrous
Regiment in collaboration with
Susan Todd, a member of the
Susan Todd, a member of the todd the todd

company.

Teendreams shows Frances, a hampton, and Brighton, the midstudent revolutionary in 1968, week matinees will be of A Very

#### Festival Hall

# LPO/Conlon by ARTHUR JACOBS

When I predicted in my review of Friday night's concert at the Festival Hall that the young Swedish cellist. Franz Helmerson, would be welcome to put any difficulties of execution in the way of bits wide-way of this wide-way of bits wide-way of this wide-way of the works from memory. What is more, the symphony received a most attractive performance, spacious where it needed to be contained as the way of this wide-way of the works from memory. What is more, the symphony received a most attractive performance, spacious where it needed to be contained as the way of this wide-way of the works from memory. What is more, the symphony received a most attractive performance, spacious where it needed to be contained as the way of this wide-way of the works from memory. What is more, the symphony received a most attractive performance, spacious where it needed to be contained as the way of this wide-way of the works from memory. What is more, the symphony received a most attractive performance, spacious where we way of the works from memory. What is more, the will be welcome back is more, the will be welcome back of the works from memory. What is more, the symphony received a most attractive performance, spacious where it needed to be welcome back in the way of the works from memory. What is more, the symphony received a most attractive performance, spacious where it needed to be welcome back in the way of the works from memory. whenever he next appeared in ranging expressive power.

London, I bad not expected that It is true that the keenest

mastery of the composer's style towards a particular perform-

enthusiastic member of the women's movement and now an

idealistic teacher, facing a new

generation.
Frances is played by Gillian

Hanna and the cast also includes

Jenifer Armitage, Chris Bowler,

David Bradford, Mary McCusker and Clive Russell. *Tcendreams* is directed by Kate Crutchley and designed by Di Seymour.

Paul Scofield is to appear as Othello at the National Theatre

early next year in a production

directed by Peter Hall. Of the four great tragic roles in

Shakespearc. Othello is the only one Mr. Scoffeld bas not

The National Theatre's nine-

performed.

whenever he next appeared in ranging expressive power.
London, I bad not expected that the keenest event to happen immediately. Nor liad he. At barely half a day's notice, be was summoned to deputise on Sunday evening for Rostropovich, wbo bad fallen a victim to influenza.

Mr. Helmerson's performance of Dvorak's Cello Concerto with the London Philharmonic Orchestra revealed a thorough mastery of the composer's style

Full-Blooded Man, a self-portralt

of Maugham, with Robin Bailey. Barbara Ferris, Alison Fiske,

and Peter Jeffrey, devised by Michael Rudman, John Russall Brown and David Farrall. For

Services Rendered is to open at

Ardlev premiere at Elizabeth Hall

The Jazz Centre Society is

presenting a concert at the Elizabeth Hall on February 26

which will include the latest extended composition by Neil Ardley Harmony of the

Among the musicians playing

the piece will be lan Carr

the NT in May.

Spheres.

No. 7 in D minor was to bave been conducted by Rostropovich himself. Mr. Conlon, an American of only 28, now took over the whole programme and Mr. Conlon delivered it at the surprised his audience by giving the symphony as well as the The LPO was in very good form.

distinct from Dvorak's Carniva overture, which bad seemed (quite misleadingly) a crude and brash piece of music wben

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י רפוני

week tour of Somerset Barbara Thompson, Geoff Castle Maugham's For Services Ren- and Trevor Tombins dered hegan this week with six performances in Leeds (Grand

Also on the concert will be a trio of Norwegian musicians The production then goes for a week each to Glasgow (Theatre Royal from February Christensen and trumpeter 2), Huli (New Theatre, March

#### FINANCIALTIMES

Telegrams: Finantimo, London PS4. Telex: 886241/2, 883897 Telephone: 01-248 8000

Wednesday February 21 1979

# The cost of high pay

ploymeot trends shown in the productivity deals which were latest figures follows so neatly fashionable last year. Second, on the hreakdown of wage re- there is still time to meet the straiot that it is very tempting situation with an appropriate to pair the two figures as cause and effect. However, apart from the fact that the unemployment parsonal commitment to hold figures sre to some extent distorted by current pay disputes requirement to £81bn in the and by the weather, this would be an over-simplification. The falling demand for labour, the worst of last April's absurdi-which is also reflected in the ties. However, it still makes all vscsncy figures and in industrial surveys, has a grest deal to do he achieves this balance. There with excessive wage increases, bave been disturbing rumours with excessive wage increases, it also reflects mistakeo fiscal national insurance contribution policy. These troubles were clear months ago.

#### Initial effect

The fact is that the wage increases which were permitted under the so-called "restraiot" of the 10 per cent norm, coupled with the fiscal and monetary policies of the current year, would have caused the pattern we are now seeing even if recent settlements had been moderate and rational—as some of them have been. The initial effect was a large rise in real incomes, and s retsil boom which worked its way through to output. The present officisl estimate that GDP rose by just over 3 per cent lsst year will

This boom might have subsided into healthy growth had the Chsocellor lsst year been as good as his present word. British industry under heavy and taken steps to make room for the ioflated private demand for credit which was bound to able result of large import result from the rise in costs. Instead, in decided to pile fiscal matched by any corresponding stimulus on top of wage stimu-

The result has been predict-able, and was widely predicted; competing demands for credit have driven interest rates to a level which is already throttling real growth. The cost of bank horrowing is now above any likely inflation forecast; if it is long sustained, prudent manufacturers will review stock levels, and there could be a re-cession in output even if real consumntion continues to grow

#### Threatening

se economic effects have vet

THE SUDDEN reversal of em- be less than under the so-called fiscal response.

The Chancellor has a firm the public sector borrowing next financial year, which at least rules out a repetition of the difference in the world how that a rise in the employers' is seen as the electorally soft This would simply repeat what Mr. Healey has now publicly admitted was his gravest error in a trying term of office—the first 1974 Budget, which imposed a disastrous squeeze on the corporate sector. Cuts in the planned growth in public spending, which is quite inappropriste at current cost levels, supplemented if necessary by rises in indirect taxes snd revenue duties, would minimise the damage.

#### Uncomfortable

Given an appropriate Budget, we will still be in an uncomfortable situation. The discomfort arises from the fact that what probably be revised upwards, if remains a firm monetary policy, the statistics follow their nor reasserted by the current sucreasserted by the current success in funding, combined with the enhanced real value of North Sea oil, has kept the ex-change rate stable. This puts competitive pressure from overseas. This is in fact an inevitmatched by any corresponding adjustment in the capital account because of exchange controls, as we have pointed out. If British costs had risen more modestly, sterling would now be tending to appreciate quite strongly.

Provided this pressure is kept within bounds, preferably by a sensible adjustment of exchange controls, it could still prove very helpful despite the attendant discomfort. Even now British money wages are low by Euro-pean standards; those British employers who cao approach European efficiency standards It is against this background resources freed by those who, that the privent pay round, like Goodyear's Scottish tyre plaot, cannot compete. This to become sppsrent, looks so transformation will go faster in It is much too an apparently depressed econearly to despair, though, for omy than in an overheated one. two ressons. First, the rise in Bad employment figures may manufacturing costs is still very prove the price of long term hard to estimate; it could well health.

# The challenge for Khomeini

meini, Iran's religious and politi-cal lesder, is finding it far Republic. harder to put together the struc-The Ayatoliah himself has ture of s new Government than it was to destroy that of the Shah's. This is hardly surprising. The end of the Sbah's rnle, and the evaporation of the Government of Dr. Shapour accepted by all groups, I shall accepted by all groups accepted by all groups. Bakhtiar, his last Prime Minis-ter, came about very swiftly and in an atmosphere of beady He warned he would deal with euphoria and hysteria. Few people whether in the streets or amongst Khomeini's aides and whether he can do it is possible members of a new another matter. The array of Government had time to consider deeply as to where this republic is daunting. One patriotic fervour would lead to priority must he for Dr. Bazaronce the Shah had gone.

Two general themes have emerged which from time to Vali Qarani, the new chief of time made themselves felt even staff, yesterday claimed that before the Shah's departure. The first was that amongst the first was that amongst the deserted had returned to duty. groups jostling for power—Kho-But even if a section of the mcini's religious followers, the officer corpa has transferred its Left, the National Front party and the other small parties and individuals making up the Iranian political scene—none evitably be had as much control over their armed forces. adherents as they claimed.

Radical oil workers in the southern fields are a crucial example. Before Dr. Bazargan became Prime Minister he was appointed by Khomeini to negotiate the end to the crippling oil strikes. Even with the Ayatollah's endorsement, he found, as he is finding now again, that his authority was not complete. As a result oil production is still failing to meet domestic requirements, a hasic pre-condition for economic activity to return to normal.

#### Left pressure

The second theme is that with internal the victory won any group with special claims, no matter how contradictory they might be, is under the impression that they But this in turn brings np again can, and will be met in full. the vital political question of Thus there are emerging disturbing signa of separatist stirrings among the Kurds and yeen-e-Khalq are clamouring for months before Iran settles down

them as harshly as he had done with the Shah and his regime.

gan to consolidate the shattered armed forces behind him so that the civilian militias, all heavily armed, can be brought under control. General Mohammed allegiance to the new govern-ment, the social disruption has been so great that it must in-evitably be reflected in the

Thus it is far from certain that Khomeini will for some time bave the full military support required to pacify the country and step back from the limelight to where he wants to he-behind the Government as the maln advising authority.

#### Restoring economy

so that raw materials hadly needed by industry can come restored. Above all, the main challenge will be to get production from the oilfields restarted.

The lotricacies of the range Azerhaijanis in the north-west of problems faced by Iran's new of the country. The two main Government together with the and identifiable Leftist groups, ever-present possibility of viothe Marxist Mujahedin-e-Khalq lence erupting again make it and the socialist Islamic Feda certain that it will certainly be The British quest

THE HARRIER STILL IN THE WINGS

for the promise of China

By JOHN ELLIOTT in Hong Kong

other parts of the western world about the prospect of winning major orders for the massive industrialisation programme now under way in China. Hordes of delegations of industrialists, civil servants and technicians, often led by government ministers, have poured into and out of Cbina. The Chinese themselves bave demonstrated an apparently insatiable thirst for knowledge of other countries' industrial expertise and capshili-ties, and those countries have consequently swarmed like bees pick up quick lucrative orders. Now, just a year after the great rush bagan, China's military action against Vietnam has added a new political dimension to economic and commercial concern that has been building up. Already in recent months some initially over-optimistic ambitions have been trimmed by many of those seeking the orders. Doubts are beginning to emerge about the true extent of China's ability and willingness to place as much business abroad as bsd originally been envisaged. The Chinese are also showing that they have lost none of their well known tough negotiating skills, and countries such as Britain are realising the full extent of the international competition that has to be fsced. Now Britain hopes to discover during the next ten days just how much chance it really has of winning major orders, partly in return for agreeing to sell Harrier jump jets to China. On Saturday Mr. Eric Varley, the

Chen) who was in the UK last November. Mr. Varley left London on Monday—just after the British Government was reported to have decided to awalt his return before reaching a decision on the sale of the Harriers. On his way to Peking he is spendiog three days in Hong Kong reviewing Britain's work in the colony on projects such as railways and power stations. In China Mr. Varley is scheduled to lead a delegation of ten chairmen and chief and negotiations already nuder way and to explore new areas for Britain so that, at the end of the visit, a £10bn five-year economic - co-operation agreement can be signed. This agreement would open the way not only for Chins to buy the Harrier jump jets which it wants, but also for Britain to export a wide range of technical know-how and capital equip-

ment. Now there is a question mark over this because of

China's action against Vietnam.

Industry Secretary, is due to arrive in Peking for a nine-day

visit to Cbina as the guest of

Vice-Premier Wang Zhen (Wang

while the Chinese were so ment and people."
actively involved in Vietnsm, it That businessm hoped the Chinese forces would

Varley returns next month. construction of steelworks. power stations, coal mines and aircraft. It also wants to look into prospects for selling sbips and for building railways, hotels and chemical plants. It will explore what prospects there round a honey pot boping to are for future orders in areas such as diesel engines, construc-tion equipment, and machine

# Coal mining

equipment Britain already has secured major cootracts in China's new industrialisation programme. Late last summer for example Davy Powergas won a £36m petrochemicals plant order and the Dowty Group signed a £70m order to supply coal mining equipment. John Brown also has a £26m order for a petrochemicals plant. Then Dunbee-Combex-Marx won a deal worth up to £25m for toy-making machinery and, more recently, A and P Appledore Inter-national won a design engineering contract for the modernisation of a Canton sbipyard. And within the past two weeks an initial agreement has been signed for the development of China's non-ferrous minerals reserves, which could lead to fibn export orders for the UK, and British Petroleum is to conduct an off-shore seismic oil SULVEY.

But there are many uncertainties about the future and some of these could surface during the Peking visit. There is obviously concern about China's ability to finance its ambitious industrialisation programme, and because of this questions will be asked about the Issue of counter-trading— for example whether China really expects Britain to take coal instead of cash or credit for the coal mines It builds. Then there is the question about executives from major corpora-tions and will also be accom-inquiry about a country's or step towards an invitation to the Chinese gathering all the

knowledge they can about the world's industries, lrrespective of their intentions, or financial ability, to actually place orders. There is also some concern, albeit less frequently voiced, about the long-term consistency of the country's policy. As the commercial counsellor at the

URING the past year a It was reported in London on would claim to be certain that wave of euphoria has Monday night that, although the we have yet seen the full scope swept across Europe and Government was not anxious to or depth of the changes being go ahead with the Harrier deal wrought by the Chinese Govern-

of political and industrial have withdrawn by the time Mr. uncertainties, is hardly sur-The main areas in which Mr. national Congress last February, Varley's delegation is hoping to following on from Chairman edge towards contracts are the Mao's death in 1976 and some industrialisation

Last February's Congress sparked off the rapid exchange of delegations, the most importent of which for Britain were Wang Zhen's visit to the UK as Mr. Varley's guest last November. This had been preceded by an important door-opening visit to Peking In August by the then Trade Secretary, Mr. Edmund Dell, and was followed by other visits of industrialists, financiers and technical experts in both directions.

and going is a sbare of the 120 projects which embrace both new installations and the modernisation of old plants. They include 30 power stations, 10 oil and gas fields, 10 iron and steel works, nine non-ferrous metals projects, eight large coal mines, six trunk railways, and five ports.

Britain's ambitions for a share of this work are now coming up against strong com-petition not only from Japan and West Germany, which are already major trading partners of China, but also other countries such as France and Australia. In addition, British years, businessmen have been left in and a technical team visited the no doubt by the Chinese that

work themselves as possible.

Nevertheless, Britain helieves it has a good chance of winning it has a good chance of the purchase by China of the carrot of the Harrier jets, but panied by senior civil servants company's ability to construct also because it has industrial by production of 200 to 300 and a trade union official. His something is really the first expertise of special relevance more under licence. For techto what the Chinese sa they nical reasons alone, a full con tender or is simply a matter of want-for example the develop- tract could not be finalised ment of coal mines, the construction of coal-fired power but a protocol could be signed stations, and the modernisation of older steelworks.

The plan therefore is that the pared. economic agreement that Mr. Varley hopes to sign should be backed up by more detailed agreements or protocols on the main areas of power stations,

That businessmen are aware

prising. It was only China's fifth following on from Chairman policy changes in 1977, that opened the way for China's spree. At that congress, China's new leadership committed itself to modernising the country's agriculture, industry, national defence, and science and tech-nology to make China an advanced industrial State by the end of the century. In the shorter term it adopted a plan for developing 120 major projects by 1985, and it is Britain's share of these that Mr. Varley's hoped for agreement is eimed at.

The target for all this coming

British Embassy in Peking, Mr. steel, aerospace, and coal. The member of the delegation. They Emrys Dsvies, wrote in a precise state of the negotiations may also raise the question of recent Government publication: is being kept a closely guarded buying tanks—a point they are "Nobody but the foolhardy secret by the members of Mr. thought to have raised

Mr. Varicy pictured with Vice Premier Wang Zhen in London last Navember. Varley's delegation, and by their support staffs, for fear of upsetting detailed talks in Peking.

Peking.

In London with mining where the UK already their support staffs, for fear of upsetting detailed talks in their supports and their supports and their supports are political problems later, there is apparently no Govern-lasting several years for deresting their supports and their supports are political problems. ment objection lo exploratory talks, although the Vietnamese sltuation might make such talks It is clear, however, that there are two main points to the talks. The first is China's wish to

buy, . - later to build, the much more sensitive. Harrier jump jet and maybe other armaments. The second is the British Government's At the same time British Shipbuilders also want to explore the possibility of seiling hovereraft and other naval equipment. In addition, British determination that it will not just be a supplier of arms. It wants to win industrial projects Aerospace, whose deputy chair-man, Mr. Allen Greenwood, will that will boost the balance of trade and provide jobs in the UK, so incidentally making it be with Mr. Varley, may nffer to sell its Type 146 four-engined easier politically for the Harrier jet feeder liner, which can operate on poor airstrips, and sales to be accepted both at home, where some Labour Party maybe even the A-300 European opposition is being led by Mr. Anthony Wedgwood Benn, and The bld to win ateelworks abroad. So in British terms a

business will be led by Sir Charles Villera chairman of the balance has to be struck between the Harrier and any British Steel Corporation, and other armaments sales on the Sir John Buckley, Davy Interone hand, and the industrial nstionsl's chairman. Their main hope is to push forward towards contracts to modernise the As Mr. Jim Callaghan, the Prime Minister, said whan he returned from the Guadaloupe Shardu (Shouiu) steelworks in Peking, based on a design study summit last month. I explained to the other heads of they have delivered to the Chinese, Depending on which options in the study are taken np and how much work the Government at Guadaloupe that we had as yet reached no final decision on the Chinese request Chinese do themselves, foreign but that we were considering orders of some £250m may be selling them the Harriers available. In addition, the BSC provided this was in the conis chasing the initial stages of text of an overall trade package, a proposed alloy steel plant in south China and wants to comwhich would bring significant benefit to our civil export induspete, against tough competition from West Germany and elsewhere, for modernising the Anshan steelworks in the north of the country and for building

a new works at Hopei in the

power stations where two orders for British expertise and British groups are bidding plant and also serve as a against each other—GEC linked counter-trading function, with Babcock and Wilcox, and Other financial Issues raised role as president of the Sino-together with the Export British Trade Council (Sir Guarantee Department. James Woodeson, chairman of So, unless the Chinese action Northern Engineering, accom- in Vietnam upsets the visit, panied Mr. Dell last August), the job of Mr. Variey and James Woodeson, rhairman of tough Japanese competition for power-station contracts,

tendering for these projects.

lasting several years for deve-lopment of two mines in the Shandong and Shanzi provinces looked bright late last year, and a group of London merchant banks led by S. G. Warburg prepared a financial package But recently it has enterged that the Chinese might prefer to "pay" by experting coel to Britain. This is unlikely to be accepted by Mr. Varies, although the consortions of the National Coal Board and Powell Duffryn (called PD-NCB) which is soeking the mine toginets.

might offer to use the NCR's marketing operation to sell Chinese coal to other European

#### Stumbling block

There is atrong Japanese competition for mining contracts and the main job for Mr. John Mills, a Board member of the NCB, who will be in the Peking delegation next week, will be to sce whether the issue of coal sales is or is not a major stumbling block,

Counter-trading indeed may well be the most important aspect of financing arrangements to be raised during Mr. Varley's visit. While there are problems with Britain buying Chinese coal, there are markets for minerals in the UK (including the Steel Corporation). This could give special significance to the recent collaboration agree-Next on the list are coal-fired ment which could lead to export

Other financial issues raised Northern Engineering Indus- may include details of a \$1.2bn tries which embraces the old credit fscility (called a "deposit Reyrolle Parsons and Clarke facility" to please the Chinese Chapman businesses. Both who have only just accepted the groups sent delegations to notion of trading on credit) China in January, and Lord which was arranged in London Nelson, GEC's chairman, will be last December by a consortium accompanying Mr. Varley in his of merchant and clearing banks

The two groups are believed to his colleagues will be to explore be preparing tenders now for the potential for the industrial work on two as yet unnamed projects, and their financial power stations of some 600 to arrangements, and then to 700 megswatts each. There is halance this against selling the controversial Harriers. If the balance of trade that emerges although it is not clear whether la politically acceptable to both the Japanese or anyone else is countries the visit could prove endering for these projects. to be a watershed for British. The fourth main area is coal industry in China.

# MEN AND MATTERS

#### That was a nice house that was

Baroness Serota, the Local Government Ombudsman, is ex-pected to shower sharp criticism on the Royal Borongh of Ken-sington and Chelsea for both the style and subatance of one of its housing practices. She has just completed a report, as yet unpublished, on the case of Moledina Kassan, formerly of 56, Slaidburn Street, SW10.

Kassan received a letter in May 1976 asking whether be would temporarily vacate his £9-a-week council-owned house while major rehabilitation work in writing that be would be able to return when the work was completed. Kassan obligingly moved, for the time being, into a high-rise council flat at World's End.

Unbappily, the lift was often out of order, and Kassan's beart condition prevented him from trekking up and down the five flights of stairs. Increasingly housebound, be wrote in 1977

A second priority is clearly to restore the economy to some level of working order. There is hope that the ports and customs may start work again in. The banking system and internal trade need to be-

to the council asking when he might return home and was startled to be informed that "plans had changed" and that his newly modernised house would be sold. Kassan made a council property in June 1977. formal protest in June 1977; but only in July 1977 did the Royal Borough's health and bousing committee formally de-

cide to sell the property.

The bouse was sold early in 1978 as "surplus accommodation" for £37,000. The council could not even be prevailed upon to apologise to Kassan, and soon afterwards the case landed on Bsroness Serota's desk. While publication of the report is awaited, his old home is now changing hands at £58,000.

Hiring Henry

The coming to Europe of Henry Kissinger is surprising mainly for the form it has a consultancy General Electric. Quite how the Doctor's global view of the world will fit in with Sir Arnold Weinstock's more commercial orientation is not yet clear; GEC and his "wide knowledge of the world and affairs" qualify him for the joh. The price of all this wisdom? "We never discuss consultants' fees."

Bsck home, apart from offeriog critiques of U.S. diplomacy in Iran Hor which, the less kind point out, he was largely reaponsible), the former Secretsry of State bas not been idle. Last year he raised over \$1m for Republican candidates by spesking at \$500-a-plate dinners, and he has devoted energy to securing his own finances: Woody Allen's theatrical agent Marvin Josephson has been upper lip, says: "Even if sardonic sign of the times, seen television contracts worth about there's another change of in the rear window of a car in \$5m. snd hc has all the rights to his memoirs—to be published."

De Koinschild, Reeping a sim sardonic sign of the times, seen in the rear window of a car in Southampton: "Help take the financial aituation. The strain of the hospitals. Please Marvin Josephson has been

American Soccer League, and Shah said about the wealthy the Chase Hanhattan Bank, not members of his silent majority

to mention of \$35,000-a-year pro-fessorsbip at Georgetown Uni-versity. NBC is also making a contribution, said to be worth between \$1m snd \$2m, to the Kissinger finances, though it is said to be unhappy with Kissinger's first "special" programme, one hour long, on the dangers of Eurocommunism. This attracted extremely 'low

lectures for considerations of up to \$10,000. All in all, the prophet is not without profit in his own land, which may be just as well. Disqualified by an accident of birth from fulrun for the presidency, he is reported to be considering the more homble possibility of running for the Senate, perhaps in his home state of New York.

In quieter moments, Kissinger

#### Paradise lost

Baron Elie De Rothschild has reached the conclusion that he will have to wait a long, long time for a return on his investment in the Iranian island of aays that Kissinger is a friend of a number of the directors. and his "wide knowledge of the world and affairs" qualify him convinced this Arabian Night's resort has no future under the rule of the Ayatollah Khomeini.

The venture had appeared so profitable that the Compagnie Francaise D'Assurance pour le Commerce Exterieur gave its approval. Now only a few watchmen patrol the marble halls of Kich's palatial hotels and the golden sands surround-ing the costly swimming pools, and the casinoa are a deserted annexe to the Palace of the Sleeping Beauty.

De Rothschild, keeping a stiff Iranians who have stayed at do not drop dead unless it is this year—for over \$1.5m. Iranians who have stayed at do not home have no time to sunbathe are Goldman Sachs, the North "As for the others—as the " As for the others—as the

-they have already moved into their winter quarters in Paris's Avenue Foch."

#### **Bottle battle**

orders on the other.

Technical

team

UK earlier in the winter. A

100 UK-made Harriers, followed

while Mr. Varley is in China.

giving formal agreement for a

detailed contract to he pre-

In sddition to Harriers, the

Chinese are likely to discuss buying warships from British

Shipbuilders whose chief execn-

tive, Mr. Michsel Casey, is a

Chinese interest in Harriers

Amid all the gloomy talk about waning U.S. influence in the world, President Carter can comfort that American soft drinks marketing has created a Communist schism. It is the Pepsi bloc versus the Coke bloc.
The franchise rivalry is even

rearing its head in the Vietnsm-China conflict. When Vo Van Sung, the Vietnamese ambassador, held a press conference in Paris to castigate the invaders he lined up five Pepsl bottles in front of his nicrophone facing the TV cameras

As we all know, the Snriet friends of Vietnam drink Pepsi whereas the Chinese have just imported their first consignment of Coke.

#### In his hair

The closed shop causes quite a few oddities, as members of the Opposition front bench never tire of reminding us.

Nothing is odder, perhaps, than
the case of John Saar, the
barber at the Charing Cross Hotel in London. He dutifully carries his card as a member of 180,000-strong National Union of Railwaymen-because the establishment in owned by British Transport Hotels.

Does he have to go on strike? Saar is relieved to know that management and union have agreed to include him out and allow him to go on snipping.

#### Last resort

**Observer** 

# Come to Corby where the growing's good.

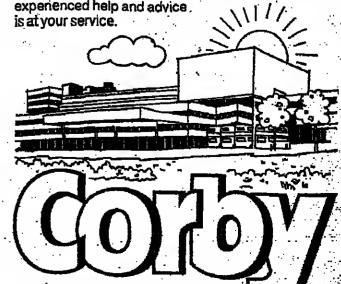
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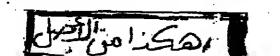
between the motorway function of the M1 and M6 to the west and the A1 to the east, allowing access to London and Birmingham. The East Coast ports can be reached by major roads. What's more, Corby is young enough to be

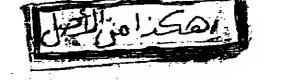
vigorous and exciting - with modern factories ready for you to occupy at highly competitive rents. (Or our "design and build" service will help you plan your own specification.) But Corby is mature enough, too, to offer well-established housing, schools, shops, public services; leisure activities. And skilled and unskilled labour is readily available.

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Financial Times Wednesday February 21 1979

# London dawdles with flood defence

BY PAUL TAYLOR

MRS. MARGARET THATCHER, lost their lives, In 1953 when river with nine piers and four

Until the completion date, now given as December, 1982, London continues to face the threat of a flood which could cost £3.5bn and put over 1m lives at risk. The main civil engineering contractors claim they are unlikely to emerge from the barrier project — the largest civil engineering project in Europe—with real profit.

Rising costs, atrikes, delays and low productivity have led to a re-negotiation of the main harrier contract in the hope of completing the barrier in December, 1982, instead of December, 1984, at no extra cost. But the need for the renot interfere unduly with negotiations has led to concern whether the Government has exercised sufficient control aver public expenditure and ia likely to provoke a storm in Whitehall and Parliament.

Estimates for the cost of the harrier have risen from £55m in December, 1973, of which the main civil engineering contract (Contract 3) accounted for bout £38m, to around £240m in March, 1978. Latest estimates suggest the final cost on completion could be around £350m, with the main civil engineering contract costing about £210m. In an industry where time really does mean money, delays caused by engineering difficulties have been added to the

expect to abtain only 32 hours'

the Conservative leader, will to floods devastated the East Coast main navigation openings, each such slow and strife-ridden bed of clay while England is Council power to build the progress. She will find the gradually tipping at the rate barrier, aided initially by 65 per harrier less than half complete, of about 1 foot every 100 years, cent Government grants at least four years behind As a result over the last 100 increased to 75 per cent, schedule and millions of pounds years the tide level at London The main civil engine Bridge has risen by over 2 feet.

The danger area totals about 45 square miles, within which are 15 major power stations, much of Westminster including the Houses of Parliament, a large number of industrial premises, a sewage, gas and water works, and 46 miles of the

Underground railway.
Following the floods of 1953
the Waverley Committee was set up to investigate the prob-lem of flooding. It made the first of a series of studies into the danger facing London. The difficulty was how to design a flood barrier which was hoth reliable, and would not interfere under with

navigation requirements. To resolve the problem the Government appointed Pro-fessor Sir Hermann Bondi, a mathematician of Kings College,

His report, published in 1967. marked the real starting point for the Thames barrier.

#### Nine piers

By 1969 an investigation team had concluded that the best defences for London and the London, together with bank-raising downstream. The Silver-While the barrier project l consulting engineers, were awarded a contract for design the barrier. They proposed Central London was last a rising sector gate harrier flooded in 1928 when 14 people spanning the 520 metres of

day visit the Thames barrier— and Thames Estuary, London of 61 metres. In 1972 Thames part of London's £580m flood missed disaster by inches. The Barrier and Flood Preventing defence scheme which is making capital is slowly sinking on its Act gave the Greater London cent Government grants later

> The main civil engineering contract for the barrier was awarded to Costain, Tarmac and Hollandsche Beton Maatschappij Joint Venture (CTH for abort), with Rendel Palmer and Tritton retained as construction supervisors. Of the 20 contracts in all, the other two main contracts, for construction of the gates and operating machinery, were awarded to the Davy Cleveland Barrier Consortium. At this stage the barrier was expected to cost about £88m of which Contract 3-the CTH contractaccounted for £38m and was August, 1978.

insisted on inflation-proofing the price and on having six months to assemble tha labour forceinitially of 800. Other clauses CTH decided to introduce a allowed for renegotiation after system of three eight-hour three years.

Work began in 1974 and by 1976 it was clear that major working arrangements had to be made. The new Contract 3 did not have a break clause, but under its terms the con-tractor's losses were limited to Thames Estuary were a combination of flood barrier in Woolton to this level when they wich Reach in the far east of accumulated to £8m. Profits

While the barrier project bad bad a better strike record than town site was selected in the bad a better strike record than western half of Woolwich Reach other major civil engineering effects of strikes and low western half of Woolwich Reach other major civil engineering productivity. In every eight and Rendel Palmer and Tritton, projects, productivity had been bour shift the contractors now consulting engineers, were low and low basic wages were workforce boosted. under pressure, by substantial bonus payments.

Work on the barrier project, pressure problems threatened negotiating team was led by a cost.



with low productivity and a ban on overtime the now reshuffled CTH decided to introduce a shifts.

This led to a 10-week unofficial strike in the summer changes in the contract and of 1977 before the new shift

A 24 week strike over a disciplinary matter last year is estimated to have resulted in a nine-week delay. The harrier project has suffered a total of about 15 weeks of atrikes but their combined effect probably adds up to nearly one year's

ficulties: The chalk river base proved tougher than expected and when the slab concrete summer.

Under the terms of Contract like most other civil engineer- its strength. Pier 7, now 80 per 3, signed in 1973, the consortium ing contracts, was based on two cent complete, is 95 weeks insisted on inflation-proofing the 12-hour shifts. However, faced behind schedule. Some savings totalling about

£10m have been made from design changes principally involving the correction of excessive initial estimates for river bed protection and dredging.

By the summer of 1978 the barrier project was running abont six years behind schedule. The new Conservative Greater London Council decided that action must be taken to speed up the project, largely by beginning work on the north hank.

With the hacking of Mr. John adds up to nearly one year's Silkin, Agricultural Minister, lelay.

Whose Department is responPier 7 caused engineering difsible for the Government funding of the project, renegotiations began with CTH last pleted within a target price summer. There were im- understood to be about £210m. foundation was eventually laid portant differences between this inside a coffer dam it bad to be round of negotiations and the consortium met the desdline, replaced because unforeseen previous two rounds. The GLC another if it completed within

Cluh, Queen Annes Gate. Financial Times two-day con-

ference on Euromarkets in 1979.

Mr. Eric Varley, Industry

Secretary, arrives in Hong Kong for three days of talks before

GENERAL

politician instead of an officer and for the first time officials from the Department of Agriculture, Fisheries and Food not directly involved in the negotiations.

Mr. Bernard Brook-Partridge, chairman of the Council's public services and aafety committee, who conducted the negotiations recently resigned after details had heen leaked to the Press. The most important feature of

the new contract with CTH was that in return for accepting cost and completion date targets the consortium's caah-flow position was to be improved and special completion bonuses were put on offer. The consortium was told that the barrier must be "operationally complete" by December 1983 and be com-One honus was to he paid if the

payments to offset losses were to be made more frequently as soon as running losses reached £2m instead of £8m. In return the consortium agreed to have all expenditure vetted in advance by the consulting

Whether or not the new con-tract will eosure completion within targets remains to he seen. Details of the actual honuses have not been made public for fear of provoking further labour disputes although they are understood to be on a percentage basis.

The real test is likely to come in negotiations with the unions, for while the apeed-up plan really only represents a reorganisation of the work, the unions are likely to seize on the possibility of consortium profits to demand terminal bonuses or severance pay. Virtually all those involved accept that the subject is likely to provoke a dispute at some stage during the next four years.

The conduct of the re-

negotiations themselves appears likely to cause an argument in the House of Commons Public Accounts Committee. It has already voiced concern about the mounting costs of the project in a report published last October. However, the degree of central government control over the public purse and the justification of the bonuses is expected to be at issue next time the PAC

examine the subject.
While both Mr. Horace Cutler. Leader of the GLC, and Mr. cern within Whitehall about the flood comes.

While the 1 per cent loss manner in which agreement was limitation clause, introduced in reached. Mr. Cutler defends the 1976, was to remain in effect unusual step of putting the renegotiations in the hands of a politician by arguing that it was necessary to form more direct links between the GLC as client and the consortium.

However, wbilc the GLC remains responsible for the contract, the lack of direct government involvement in the negotiations, despite the fact that the Government is paying 75 per some concern. Mr. Cutler claims that there was frequent and direct contact between himself and Mr. Silkin. However, like Mr. Silkin, be accepts that department officials were not at

the renegotiation meetings.
This has led to a situation in which Department officials were in effect vetting and checking details of the new agreement in retrospect. Mr. Silkin says that "the GLC told my Department at each successive stage of the progress being made, though they did not always seek approval in advance of offers they made. They were aware however that if the Government was not satisfied with the terma of the agreement reached it would not be willing to make its

full contribution to the cost." The consortium says it emerged from the re-negotiations with a new contract which it describes as "fair" but unlikely to result in any real profit. Costain points out that perhaps its only gain is that it will have been enabled to ride the recession and keep together a strong staff.

The unions have already signalled their willingness to Silkin express satisfaction with dispute the right to a share of the outcome of the renegotia- the consortium's honuses and tions, arguing that the new the question is probably when contract should ensure both rather than whether the hattle earlier completion and a greater will come. Mr. Cutler simply degree of government and GLC says he is "praying" the barrier control over costs, there is con- will be completed before the

#### Letters to the Editor

#### The role of marketing

From Mr. T. Cannon

Sir,—I read with considerable interest Mr. Fishlock's article (Fehruary 9) on industrial innovation and the Advisory Council for Applied Research and Development report on which it was hased. Despite my pleasure at these signs of an emerging awareness of the central role of ionovation and new product development in economic performance, I was almoustrial finance, an disturbed to note the neglect approach for which many of us of the marketing dimension.

A considerable amount of investigation bas now been conducted into factors contributing to success in new product or process development. The recurrent theme of large scale investigations such as Project Sappho in Britain and the work of the National Science Foundation in the U.S. bas been that poor marketing lies at the cornerstone of much failure particularly in the areas of advanced or intermediate tecb-

nology. The ACARD report itself does make some comment on the role of marketing, goting that success in innovation and new product development lies ultimately in the marketplace and meeting customar needs. This may involve less advanced A technology with less intrinsic satisfaction for the acientist. We nced, however, to move away from this notion of the scientist or hoffin and encourage our their satisfactions from meeting the equally complex but certainly more productive demands of the marketplace.

Far too few scientiats or engineers get any real insight nto management and business luring their undergraduate or postgraduate education. The problem is particularly acute in narketing and exports. Although the basic point about marketing's role is acknowledged in he ACARD report, it is deprests recommendations is clearly lirected towards developments

n this area. It is clear to me that unless marketing perspective is applied to the generation of icw product or process ideaa, heir selection, refinement, deign, development and intro-luction on to the marketplace, loor performance, low returns ind progressive deterioration in performance will

f. Cannon Lecturer in Marketing). University Business chool, fill Hill Lone,

#### Industrial , innovation

rom Dr. S. Castell

Sir -1 nate (news item, and avid Fishlock's excellent comientary/review article of Febiary 9), with some joy, that ie industrial innovation report ie Advisory Council for pplied Research and Developent is to lay before the abinet, will at last, from an gh. and in a constructively itical manner, draw attention the kind of evidence of lack-- encouragement - for - inno-

technology-based firms (NTBFs) are two aspects suggested in ACARD's report which are adventurously bang on target. But does it go far enough one wonders?

It would appear there is no mention in it of a concrete suggestion to provide for NTBFs (favourably tax-treated) "gambling funds" rather than "Industrial finance," an

bave again long campaigned. One can envisage that the anticipated response by Treasury, which "finds message about innovation and why investors have lost the zest for a gamble all very new" might have been so "very depressing" to ACARD mem-bers that the comments/proposals they make in their report have been (understandably) somewhat watered-down. This can only help persuade the Cabinet in react with indiffer-

ence towards it, particularly when preoccupied with the more tangible dilemmas of current industrial strategy. My own experience is that there still widely exists a strong UK spark of individual commitment to build, and hack, innovative enterprises. But it will not surprise me if it now takes more than merely the "lubri-cation by Government of tha innovative process" to fan this

into properly fearsome flames, and ACARD ought perhaps to have aimed at something distinctly more adventurous than "not seeking to overturn the entira system." We need to breed and foater all types of technology-based entrepreneur from the zealously altruistic related question of the treat-"If I don't do it, nobody else ment of bank references. will," to tha zestfully opportunistic "If I don't do it somebody else will": the encouragament of sueb a desirable spectrum, given the stultifying environment to which both extreme types

have become wearily accus-

tomed, demands now a radical

It appears that, within the report's laudible focus on NTBFa, there is no further strong emphasis on such firms operating in the ever-widening field of information technology (IT). You have allowed me space on two previous occasions to argue for the crucial impor-tance of the nurturing of this future technology. Readers of those earlier letters may decision would undoubtedly remember my introduction of a conceptual co-ordinating (and essentially non-political) ginger group dedicated to achieving the correct recognition of the importance of IT, its financial

backing and the many problems

of its wide-ranging social

Dr. Stepben Castell, Furlongs, Grange Road, Wickham Bishops, Witham, Essex

#### The BBC's race towards trivia

From Mr. M. Berenblut

Sir.—I believe that Chris Dunkley's article "The BBC's race towards trivia" (February 14) voices concern which many feel over the quality of BBC

tion and, far more Surely the BBC, by the very mission and, far more nature of its financing, is dicies required to provide afforded the luxury of being cli absent encouragement, able to ignore the "ratings"

ing out for some considerable pense of the marginal viewer. time, Tax incentives for innovat- If, indeed, the BBC intends to, Graham S. Telford, ing companies (and, one hopes, appeal to the lowest common their backers) and a focus on denominator, one of the main denominator, one of the main reasons for advocating the licence fee financing system, which is 10 avoid programme content being infinenced by advertisers' requirements, becomes void.

> Mark L. Berenblut 2, Savoy Close. Edguare, Middx.

#### The money programme

From Mr. J. Duncan

Sir,—Chris Dunkley's concern over the decline in television coverage of current affairs (February 14) is well founded. What should also be particu-larly disturbing in City and financial circles is the story that should Tonight move to BBC 2, then it could be at the expense, inter alia, of the much improved Money Programme.

John Duncan. Dewe Rogerson Ltd., 4, Broad Street Place, EC2.

#### Insider dealing

From the Assistant-General Manager, Boston Trust and Savings

Sir,-Recent suggestions (February 9) that some hank managers are passing confi-dential information about customers to their "in-house" insurance salesmen prompts me to draw attention to the not un-

There is evidence that a number of bank managers are finding the receipt of a confidential reference inquiry from a credit grantor to be a very useful marketing source. A bank manager's swift telephona call or letter to the customer suggesting a chat about his requirements can result in an "in-house" personal loan being aold. It is clear that a banker's privileged position can be used to considerable advantaga at the expense of others who in part have come to rely on bankers' references to establish creditresult in more bad debt and thus higher credit costs being passed on to the consumer.

It is unfortunate that the banks do not seem to agree as to whether the practice is resistance which, as any cyclist ethical or not. When invited can confirm, is a factor of the to comment an evidence indicatto comment an evidence indicating that confidential hank reference inquiries had been used as a marketing aid, the used as a marketing aid, the emior manage—time, but I cannot remember time, but I c varied widely and included categorical denial, condanation (but "in the customer's interest") and an apolngy for

their branch manager's action. Mr. Keith Blundell of Liberty Life Assurance claimed that banks have been intercepting new standing orders for insursidlary has called on the costomer and offered an alternative policy. If this processor and the costomer and offered an alternative policy. policy. If this practice and the misuse of bankers' references is allowed to proliferate it can only make credit granting more difficult for retailers and finance

which a number of us, from battle" and provide high houses, increase bad debts and on-low, have been urgently call- quality programmes at the exsive for users as a whole, Boston House. Lower Dognall Street,

St. Albans, Heris. Civil Service

#### pensions From Mr. A. Miners

Sir,-Mr. O. M. Jubb's assertion (February 16) that a civil servant's pension is reduced at age 65 by the amount of bis NH retirement pension is of

The actual reduction, under NH regulations SI.1948/498, is £1.70 a year for each year of reckonable service, up to a maximnm of £67.75. Thus, Mr. Jnbb's clvil servant, with 40 years' service, will get at age 65:—

Pension ..... 2,000 Retirement pensinn (self and wife) ... 1,560

Less reduction .....

3,560 67.75 Gross 3,492,25

And even this small reduction does not apply to civil servants with service before March 1, 1948! If Mr. Jubb is one of them, this clarification will be good news for him. A. N. Miners.

#### **Patent** search

65, Church Lane,

Girton, Combridge

From Mr. R. Price. Sir,—It would be a fitting cen-tennial tribute to Bennet Wood-croft, patent classifier and inventor, for the British Library to provide classified aets of European and Patent-Co-operation Treaty applications. This would revive the practice used for many Continental patent collections that existed in the Patent Office Library in 1908. It may help to stem the trend of British searchers conducting patent investigations in Munich and The Hague.

Recliner cycles

28 Holland Avenue.

Sutton, Surrey.

From Mr. R. Jones Sir,-Mr. Sullivan's suggestion (February 15) of an upright riding position might well result in aptimum power output, but would also maximise wind

lining (which is probably the sole worth-while advantage of a recumbent position).

Might not some enterprising firm nhtain considerable pub-licity "mileage," and possibly contribute to the development of cycle design, by offering a substantial prize for the fastest entries the winning speeds could be quite surprising! Richard H. Jones.

7 Maple Avenue.

## **Today's Events**

UK: Mr. James Callaghan, Prime Minister, Mr. John Morris, Weish Secretary, and Mr. Len visits Guinea - Bissau until Murray, TUC general secretary, speak at Welsh devolution Lahour Party rally, Swansea.

Germany visits Zamhia.
U.S. Treasury sells \$1,35hn of Deutsche Mark - denominated

Mrs. Margaret Thateber attends Conservative and Unionist Association (London area) reception, St. Stephens securities. PARLIAMENTARY BUSINESS House of Commons: Northern Grosvenor House Hotel, W1. opening address by Mr. Harold Lever; Chancellor of the Duchy Ireland Orders on rates amend-

Cyrus Vance, U.S. Secretary of Evidence Bill, third reading. Select Committees: Nation-

alised Industries, Sub-committee B. Subject: Report and Accounts

President Eanes of Portugal visits Guinea - Bissau until February 24.

President Honecker of East Germany visits Zamhia.

U.S. Treasury sells \$1.35hn of Deutsche Mark - denominated securities.

The Queen arrives in Qatar.

PARLIAMENTARY BUSINESS

Electricity Council. Room 8, 10.45 am. Science and Technology, Genetic Engineering Sub-committee. Subject: Engineering. Witnesses: Association of University Teachers. Room 15, 10 am. Expenditure, Environment Snb-committee. Subject: Redevelopment of London's Dorklands, Witnesses: Bernard Thorpe and Partners. Bernard Thorpe and Partners, Nigel Spearing, MP. Room 5, 4.15 pm. Nationalised Industries, opening address by Mr. Harold
Lever; Chancellor of the Duchy
of Lancaster.
Railway...unions meet British
Rail to start pay negotiations.
Overseas: Talks between Mr.
Mosbe Dayan (Israel) and Mr.
Mustapha Khalil (Egypt) resume
at Camp David, U.S., with Mr.
Correct Vance IIS Secretary General Secretary

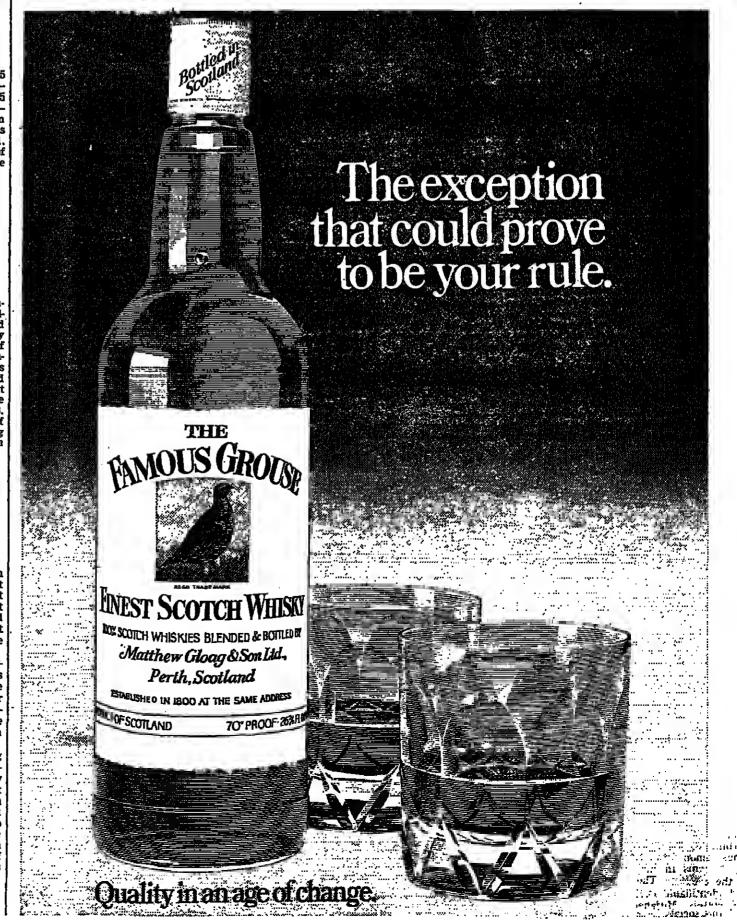
Association, Ohstetric Anaesthetists Association. Room 6, 4.30 pm. Public Accounts committee. Subject: Appropriation arcounts. Witnesses: Ministry of Agriculture, Intervention Board for Agricultural Produce. Room 16, 4,45 pm.

COMPANY RESULTS

Final dividends: Berisfords, Carrington Viyella. Foreign and Colonial Investment Trust. Lancashire and London Investment Trust. U.S. Dehenture Corporation. Weber Holdings. Corporation. Weber Holdings. Interim dividends: R. and J. Pullman. Roan Consolidated United Real Properly Trust. Wiggins Construction.

COMPANY MEETINGS

Countryside Properties, Winchester House, 100 Old Broad Street, EC, 11. Englisb China Caledonian Airways, Room 16. Clays, Hyde Park Hotel, 10.15 am. Expenditure, Social Knightshridge, SW, 12.30, Ley's Services and Employment Subcommittee. Subject: Perinatal Street, Derhy, 12. McCorquodale, and neonatal mortality. McCorquodale House, Telford Witnesses: "Health Visitors' Road, Basingstoke, 12.45.



# Vantona rises 8.6% after second half acceleration

REFLECTING ateadily improve ing conditions, pre-tax profits of Vantona Groop rose from £6.73m £7.31m in the year to December 1978, on higher turnover of £82.4m, compared with £78.8m.

The 6gures show an increase in sales of 4.fi per ceot and io pre-tax profits of 8.6 per ceot. The secood half, however. resulted io improvements of 11 per cent and 13.1 per ceot respec-

Fully diluted full year earnings are shown to have risen from 18.6p to 19.4p per 20p sbare and the net final dividend is 3.7565p for a 5.752p (5.1511p) total.

	1977-78	1976-77
	£000	ECCO
Turnover	82,400	78,800
Trading prolit	7,711	7.655
Interest	400	928
Profit before tax	7.311	6.729
Tax	3,430	3,164
Net profit	3,881	3,563
Extraordinary debits	595	a
Minority profits, etc	203	156
Available	3.083	3,401
Interim dividend	374	283
Final	798	520
Retained	1,911	2,598
No credit has been	n taken	io the

No credit has been taken to the figures for fees which are due occur. cocur noder an Iranian koow-how Extraordinary items ioclude agreement but which have not the cost of closure and losses on heen received. A subsidiary disposal of assets of Cromer

Lex looks at the revived interest of foreignere in the gilt-edged market which has led to some excitement over the prospects of an oversubscription for two new issues tomorrow. Statistics from the Equipment Leasing Association show dramatic growth during 1978 illustrating the polent tax advantages of this form of financing. Lex also evaluates the results of Vantona which show the marks of the Iranian upheaval. Elsewhere, Crest Nicholson's results topped market expectations while Martin Ford has produced a creditable rise in profits to e level well up on its previous peak. Meanwhile, Marchwicl's profits are slightly ahead despite a collapse

company is lovolved as a supplier of cloth for use by the unit of Fountain Yarn Dyers at Iranian Army. Because of the Blackburn. uocertain positioo in Iran it is difficult at the present time to offer for J. Compton Sons and estimate the final outcome. But webb (Holdings) became uncood the hasis of the most uofavourable circumstancee a loss iocluded to the results in respect

of £200,000 not provided for in of this acquisition although the these results might arise, published accounts will contain although no balance the directors a coosolidation of the halance do oot consider such a loss will aheet figures. Both Vantona and Compton Wehh groups exceeded the profit expectations referred to the in Offer Document.



Mr. James D. Spooner, chairman of Vantona Group . . . reflecting steadily improving conditions, pre-tax profits for the year to December 1, 1978 rose from £6.73m to £7.31m.

#### DIVIDENDS ANNOUNCED

		Date	C0e.	Tairi	I Ulai
	Current	cf a	perding	for	last
	payment		dir.	vear	year
		• -		•	•
Anglo-Amer. Coal	48**	April 20	40	72	60
Aguis Secs	0.5	May 1	0.45	0.73	0.67
P. Brotherbood	1.8 <del>1</del>	April 27	1.82	-	fi.45
Crest Nicholson	2.22		2.32	3.72	3.36
Kellock	0.5	_	_	0.5	_
		March 28	3.1	3.6	3.1
Greenbank Tst	3.6				
Jooes (Jewellers)	3.5	Marcb 26	<b>—</b> 5	3.5	T
Marchwiel	3	April 3		5‡	1.ፕ§
Martin Ford	1.16	April 25	1.04*	2.26	2.024
Meldrum	1.35	April 6	1.23	2.1	1.85
Frederick Parker	6.52	· -	5.7	8.99	8.18
Pentiand Iov.	3.05		3.18	4.55	4.05
Vantona	3.76	May 11	3.36	5.70	5.15
W. Cst. & Texas Tst	1.1	March 30	0.75	1.1	0.75
W. CSI. OF TEAMS 15t	1,1	JIAI CII OU	0.10	1.2	0.10

Dividends shown pence per share net except whece otherwise stated. \*Equivalent after allowing for scrip issue, 7 On capital increased by rights and/or acquisitioo issues. ‡ As forecast at time of reorganisatioo. £ Restated, 7 Listing granted July 1978, \$\frac{1}{2}\$ Supplementary 0.03529p elso announced on account of previous year. \*\* Cents per share.

# Caution over upheavals abroad leaves Fredk. Parker lower

Nigeria aod Iran have caused directors of Frederick Parker, coostruction equipment maker and hirer, to make a full provision, amounting to £1.56m agaiost uninsured customer debts there. As a result, though trading profit was maiotained at £5.29m, compared with £5.21m. at the pre-tax level the aurplus was cut from £5.21m to £3.72m for the year to September 30,

Sales for the period were 14.5 per ceot ahead at £36.2m of which the export content was

Midterm, wheo profit was higher at £3,14m (£2,9m), the directors forecast that because of the continued world recession they did not expect to show an advance for the 12 months. Now Mr. K. J. Parker, who has taken over as chairman from his brother Mr. F. W. H. Parker, reports that the level of sales inquiries is encouraging but berce delivery and price competition means that orders will remain hard to win. The

company's export markets are had increasingly disturbling, he says, and Mr. Parker expects 1977/78 cles. first-half turnover profit to be lower and this may also apply to the second half, he adds.

Some improvements were later forecast.

achieved from the progressively Meeting, Leic strengtheoed saies force and 15 at 2.15 p.m.

Profite again exceed £13 million in a difficult year

The turnover of the Group has increased by approximately 10%

and the profit before tax has also shown a slight increase. As

overseas where our International Division made a loss for the

at home. You will note that our tax charge for the year works

out at approximately 52%. This arises because unfortunately

for tax purposes we are not able to set off the overseas losses

Overseas it continues to be extremaly difficult to win contracts

and we have to accept that in the immediate future the returns

from abroad will be less than we had hoped. I am optimistic,

At home avery effort is being made to improve the position on

tha two serious loss making contracts and I anticipate that wa will eventually recover a substandal part of those losses.

Although it has been a difficult year shareholders will ha glad

higher than at the same date last year and I am sadefied that this work will produce a reasonable level of profit.

During tha year we purchased a 75% interest in the Price

interests. Wa have had some initial problems but remain

optimistic about the futura. In particular the continuing

In conjunction with a partner we undartook a property

davelopment in Cheshire which hes progressed most

satisfactorily. We are also considering other developmen

achemes which wa hope will contribute to our future profits.

stood at almost £25 million and wa are constantly exploring

Our liquid resources and abort term investments at the year and

United Kingdom

Profit before tax

Taxatien

United Kingdom

Extraordinary items

Uodistributed profit

Earnings per share Dividends per share

Profit before extraordinary items

Profit attributable to shareholders

to know that our domestic order book at the year and was 50%

Brothars (Estates) Limitad Group and thue entered the private

housabuilding fiald where previously wa had only minimal

increase in the cost of househulding land hes aubstantially

however, that the Intamational Division will return to .

againet the profits in this country.

profitability in the current year.

increaced the value of our land bank.

evenues for further investment

During the year we welcomed to

tha Board Sir Alax Alaxander as a

non-Exacutiva Director. Sir Alex

who started his career with us.

recently retired after many years

as a director of the Imperial Group

and Chairmen of Impanal Foods.

I am eure all ahareholders would

loyal staff and work force for thair

magnificent efforts in a difficult

Sir Alfred McAlpine & Son

largest unit in the group, had an

excellent year during which the

improved considerably. We were

fortunate in obtaining a variety of

**Building and Civil Engineering** 

contracts which enabled us to

weather during the laner part of

teke edvantage of the good

tha year. Public Authority housebuilding and general

level of activity in naw work

This company, which is the

(Northern) Limited

year.

like to join me in thanking our

both at home and abroad.

first time and substandal losses were incurred on two contracts

foreshadowed in my Interim Statement it was a poor year

situation is further aggravated

by the weak dollar and the uoexpected disruptions in the

shares of the company, which has close atatus, are traded in a market created by M. J. H. Nightingale and Co.

At year end net liquid funds were up £305,000 (down £1.09m). On a curreot cost basis profit was reduced to £2.09m (£3.32m) by extra cost of sales of £1.16m (£1.46m) and additional depreciation of £0.53m (£0.47m) less a gearing adjustment of £58,000

The auditors, Price Waterhouse and Co., point oul that al this time it is not possible to determine whether all the provisions against the amounts owlog from Nigeria and Iran will

Even though the group had the beoe6t of the production and shipping of e major contract from the Philippines during the year action to bring production and overbeads in balance with the reduced demand worldwide had to he taken early lo 1978 and there were some redundan-

Some improvements were later

earnings per 10p sbare are UK and in some of the company's less traditional export 12.9p. A oet final dividend of markets. Market sbare was increased in some South American mum parmitted 8.993p (8.175p) and cost £871,000 (£692,000). The

was pressure on margios but a atrong fioancial position was majotajoed Mr. Parker states.

Io the buoyant months prior to the sudden economic slump in Nigeria, wblcb created difficulties In obtaining payments, the com-pany was shipping substantial amounts of equipment to dealers there, much of which bad credit insurance cover. The balance was despatched agaiosl "evideoce of firm orders having been placed hy end users," he adds. Group capital spending to 1977-

1978 amounted to £1.8m. In anticipation of the long term expansioo of the group's main factory seveo acres of leasehold land adjoining the main factory was acquired through the purchase of Pimbrook (Forest Road) for £285,000. In addition Potters Constructional Engineers, Constructional Engineers, Leicester, a supplier to the group was bought for £117,000. Sales of the hireplant sub-sldiary were up 28 per ceot at £4.5m and profit wes 22 per ceot

ahead al £454,000. A further advance io sales by this company is Meetlog, Leicester, oo March

confident that in these two sectors we will increase on last

Sir Alfred McAlpine & Son (Southern) Limited .

This company increased its turnover to a new record of

have been satisfactory. The outstanding workload is

any optimism in this sector for the immediate future.

approximately £50 million. One particularly severe loss making

satisfactory and is uniformly distributed throughout the major

During the year the overseas contracting turnover of Marchwiel Holding AG and its subsidiary and associated companies, fell

dramatically, particularly in the Sudan where there have bean dalays in the awards of further work. Unfortunately overheade

had been geared to a much higher turnover than that achieved

and a substantial trading loss resulted. This loss, however, did

possible future markats. Expansion overseas condinues to ba one of the major objectives of the Group.

for soma concern in certain areas. These, together with the

winning of new work with satisfactory margina very difficult. Neverthaless the work being undertaken by the overseas

companies in Sudan and Dubai is proceeding satisfactorily and

Whila prospects at homa look a little boghter than at thie time

overseas, neverthaless, overall

there is likely to be an increase in

tumover. Margins on new work

unprofitable contracts. I hope we

can continue our upswing in

year, but it is, as always, very

difficult to predict accurately

what will happen. The effects of

eccount, but it is hoped that these

this winter's worse than usual

weather must be taken into

counterbalanced by prudent

settlemant of old contracts. The

construction industry, both at

home and abroad, is not going

megnificent staff and workforce

end an excellent up to date plant

fleet; thus we are as well able to

copa with the present problems

A. J. McAlpine, Chairman.

as any of our compatitors.

through a particularly happy

phase, but we have a well-

balanced work load, a

will be more than

profitability during the current

are not exciting but we are

determined not to take on

last year the sama does not apply to obtaining new contracts

intense competition internationally, inevitably make tha

is anhancing the international reputation of the Group.

£0003

38,276

168,654

11,995 1,368

5,289

8,116

8,041 586

7,455 \*24.5p \*1.7p

Future Prospects

25,093

187,544

13,595

't3,554 7,824

6,530

. (2,759)

3,767

1,792

1,975

19,3p

**GROUP PROFIT** 

for the year ended 31st October, 1978

Delays in payments are still being experienced, and give cause

includa significant marketing expenses incurred in investigating

activities. It is unfortunate that the lower level of apending by

tha Government on the road programma does not encourega

contract hes lowered profit margins which would otherwise

**Another Satisfactory Year** 

# Lower interest aids **Aquis Securities**

TAXABLE PROFITS of Aquis 52 per ceot.
Securities improved from Surpluses arising from the Securities improved from £418,719 to £519,758 in 1978, after

The Board reports that a loss of amounted to £233.713. This has £79,003 (£1,525 profit) has been heep transferred to capital sustained by the Belgian sub-reserve. sidiary. No allowance is made for this loss when UK profits are considered for tax provision purposes, and this has therefore produced a tax charge considerably in excess of the standard rate of

sale of investmeol properties for a much reduced net interest £1.21m during the year (after charge of £334,413 against £716,101.

A professional valoation of the short leasehold properties held for investment has increased the overall value of these properties

The value of the remaining probeen considered and after attrihuting a nil value to the pro-perty owned by the Belgian sub-sidiary, the board is of the opinioo that the market valoe of the remainder is in excess of their book value by some £4m.

After tax of £319,159 (£216,657), stated basic earnings are lower at 0.78p (0.86p), or diluted 0.77p (0.83p). The final dividend is increased from 0.445149p oet per 5p share to 0.5p, making 0.725p (0.670149p). Retained profit is £260,110 against £246,794.

#### Yearlings ease back to $12\frac{1}{2}\%$

The coupon rate oo this week's batch of local authority yearling boods has eased back to 12½ per ceot. For the past two weeks the rate bas stood at 13; per cent. The stock is issued at par and

repayeble oo February 21, The issues are: Trafford Borough Council (£0.5m), Oxford

City Council (£1m), Darlingtoo Borough Council (£0.5m), Great Yarmouth Borough Council (£0.5m), Redditch District Coun-(£0.5m), Redditch District Council (£0.5m), West Yorkshire Metropolitan County Council (£0.75m), Borough of Sunderland (£1m), City of Glasgow District Council (£2m), Middlesbrough Borough Council (£0.5m), City of Salford (£0.25m), Spelthorne Boroogh Council (£0.5m), Warrington Borough Council (£0.5m), Warrington Borough Council (£0.5m) Boroogh Council (£0.5m), War-ringtoo Borough Council (£0.5m), Wokingham District Council (£0.75m), Macclesfield Borough Council (£1.1m), Borough Coun-cil of Gateshead (£0.5m), Borough of High Peak (£0.5m) and Strathkelvin District Council

Dover District Council is issuing £0.5m 13 per cent negotiable bonds, due on February 16, 1983, while City of Aberdeen District Council is raising £0.5m variable rate bonds due on February 15, 1984, both at par.

#### **EDUCATIONAL**

**GUIDANCE FOR** ALL AGES! 15-24 yrs: Courses, Careers 25-34 yrs. Improvement, Change 35-54 yrs. 2nd Careers, Review organisation. Free hinchure-CAREER ANALYSTS 90 Gloocessa: Pi Wi 01-935 5452 (C4 hrs) 000 ii

King & Shaxson Limited 52 Combill EC3 3PD Portfolio I Incoma Offer Bid Portfolio II Capital Offer âid

# Crest 55% increase and further progress forecast

WITH all the main areas of the group coolributing to the improvement. Crest Nicholson The tennis courts and sports

The tennis courts and sports provement. Crest Nicholson reports a 55 per cent increase in 13x3ble profits from £1.83m to year and order intake is high. £2.81m for the year to October 31. Overall return from mari

They oow say that the current year bas alarted well and they expect the group to make further significant progress. In all the main operating companies there are opportunities to expand to growing markets, they add.

Yearly earnings per 10p share Yearly earnings per 10p share are shown to have risen from 11.49p to 14.69p and on a full tax charge from 8.57p to 11.4p. The net final dividend is 2.21fi7lp and there is a supplementary payment of 0.03529p relating to the previous yeor. This hrings the total to 3.71671p (3.36369p).

The directors state that to the

The directors state that lo the property division Crest Homes had an excellent year. A pattern of growth by regional develop-ment has been established and new offices have been opened in now bas an increasing number of commercial developments oo

services componies had a good

Overall return from marine activities remaised poor but action taken to improve the profitability of boat-huilding should be reflected in current year's results.

The interior is high.

Overall return from marine activities remaised poor but action taken to improve the profitability of boat-huilding should be reflected in current year's results.

The interior is high.

The industrial companies achieved continued growth in both sales and profits.

1977-78 1976-77 Turnover
Profit belore tax
Tex
Net profit
Minority profits
Extraordinery credits
Available
Obidends Oividends 410 259
Prior year adjustment† 656 344
Cap. of res. in eub. 27
Ree. corried forward 4,272 3,067
Oobits. † Write back or delerred

Deferred tax is provided only where it appears that there is a reasonable probability that liabilities will occur in the foreseeable future. This represents a change in the basis adopted in change in the basis adopted in ample scope to enter the take-the previous accounts, but figures over market once more.

Although profit projections had

#### comment

been revised sharply upwards ahead of the results, shares in Crest Nichelson climbed. 5p yeslerday to 93p oo news of 2 55 per ceot pre-tax improvement. That represents a new peak to complete the recent property, 1974 trough and industrial complete the recovery from the hoathuilding and industrial group seems confident that it can establish itself firmly on the new growth platform. Crest carries no land hank but a spread of the peographical nelwork appears to have offset the effects of a hunsing land shortage and hopes are pinned on the cutback in activity at the Southamptoo yard to bring the return on nonthild-Res. corried forward 4.272 3.067
Oobits. † Write back or deferred ing finally up to an acceptable level. High interest rates and a mortgage famine could undo mortgage famine could undo any ambitious forecasts for the current year but the market appears to be taking few chances of the year by £685,000 to with a p/e of almost 8 on fully taxed carnings and a yield of a least or the current year but the market appears to be taking few chances. taxed carnings and a yield of 61 per cont. In the meanting, compensation funds of \$400,000 from the Southampion authorizes and the £600,000 consideration for the Cray Electronics stake provide

# Brotherhood well down midway

A FALL in interim taxable profits from £320,000 to £133,000 is reported by Peter Brotherhood, machinery and power plaot manu-Turnover was down from £5.09m to £4.18m.

The Board eava trading conditions bave remained difficult, and the upward trend of new orders, reported in the annual statement, was not maintained throughout 1978. However there has been a better start to 1979. The directors add that turnover

is influenced by the delivery dates of individual contracts. In the current year substantial deliveries are due to he made in the last quarter, some of which, they warn, may be jeopardised by shipment problems.

The half-year profit to September 30, 1978, is struck after interest up from £34,000 to £52,000, Tax takes £69,000 (£166,000).

#### Pentland Inv. ahead to £840,000

Net reveoue of Pentland Investment Trust rose from £752,920 to £840,161 in 1978. Reveoue was struck after all charges including tax of £496,873, Stated earnings per 25p share

are ahead from 4.11p to 4.61p.
The final dividend of 3.05p net lifts the tolal from 4.05p to 4.55p

#### Rank Org. placing

Rank Organisation announces that io accordance with the special placing arrangements detailed in the circular dated January 25, 2,350,847 new ordinary sbares (representing the oew ordinary shares which would otherwise have been offered to North American shareholders, and fractional entitle-ments) have been placed et 12p premium (nil paid) hefore

#### Expansion for Atcost

Including five mooths trading since its takeover by aix directors, Atcost Group expanded pretax profits to £296,632 for the year aoded September 30, 1978. compared with £122,764 for the previous 17 months.

In April, 1978, the directors In April, 1978, the directors raised £800,000 to acquire cootrol of the Tumbridge Wells based company, the funds for which were provided by a consortium besided by the National Coal Board Superannuation

Turnover for the year was f12.51m (£13.41m for 17 months) and oet profits were £169,218 against £85,227. A dividend of 6.7 per cent has been paid.

Mr. Peter Down, chairman, says orders in hand, for the groop, stand at over £8m, equivalent to some seven months work and it is anticipated that the curreot year's turnover will produce e further increase in profit.

per 50p sbare, agaiost 1.815p. Last year's total payment after taxable profits charply lower at £764,000, was 6.4488p. The directors have decided to

conform with standard practice of making two results announcements-one for each balf year,

#### Densospire

Temporary orders restricting dealiogs in the shares and certain properties of Densospire were cootinued by Mr. Justice Slade in the High Coort.

The orders were made io an.

action by A. J. Macpherson and Company against Densoping in London property company, Mr. Timothy Greenish, and Mr. John Llewellyn-Jones. They agreeffective until March 6, on February 9, when intensity from the similar terms which granted ex parte, counsel for Macphersons, who are merchant bankers, alleged that the Llewellyn-Jones then managing director, arranged a number of

director, arranged a number i loans to Densospire, in which h lo a pending action, Macphes sons cialm they have a beneficial interest lo Densospire's share and properties hought with I

## If you had taken the advice of Investment Research five months ago you would be better off now.

Investment Research advised:-5th October...FT Index 505 "All buying activity should cease."

11th October...FT Index 505 "The penalties of holding equities may, within the course of a year or so prove disastrous."

1st December...FT Index 486 "We believe, as we have for some weeks that the index will, over time move down below 400"

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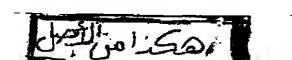
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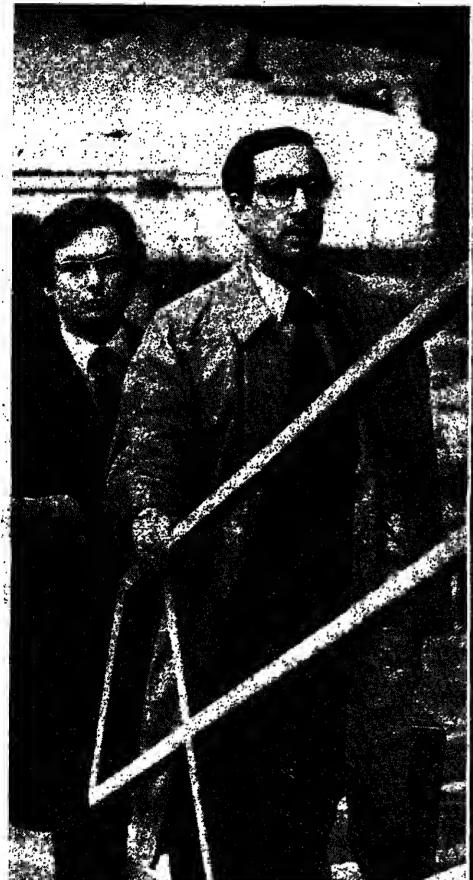


# MARCHWIEL LIMITED The Sir Alfred McAlpine Group

\*Date to the capital reconstruction, last year's figures for samings and dividends per share have been restated.



# How The Morgan Bank can help you manage currency exposures



mid



From left: Alastair Hunter-Henderson and Morgan IMM head John Haselone depart for a client meeting abroad: Roberto Mendoza, head of IFM, co

In today's fast-moving currency markets, a major concern of managing directors and financial officers is the effect of foreign exchange exposures on corporate profits. They need to know what's happening in the markets, what it means to their companies, and what they can do about it. Because every company is different, a one-package service isn't enough.

That's why The Morgan Bank takes a total approach to helping you cope with your company's substantial exposure to currency fluctuations. We offer you three distinct yet integrated teams, each specialising in one of the kinds of service you may need. You use one, two, or all three.

Our International Money Management team helps you identify and measure your currency exposures anywhere in the world. IMM can work with you in refining your reporting systems

to monitor exposures, and in setting up a management system to control them.

Our International Financial Management group can help you with your financing needs anywhere in the world. IFM specialists analyse your situation and point out the financing options that are open to you, including non-bank sources. Then they design a financing plan suitable to your overall currency exposure, and work with you to carry it out.

Our Foreign Exchange Services team is your information link to both the day-to-day developments and the longer-term trends in currency markets. Positioned alongside each of our exchange trading desks around the world, members of this group tailor their analyses and services to your particular needs and interests. They also advise you on special situations, such as

long-dated foreign exchange contracts or unusual hedging opportunities.

Access to the special talents of these teams means Morgan clients are better able to identify, understand, evaluate, and act on currency data—on time. To learn more about their services, talk with the Morgan officer who calls on your company, or contact any of the offices below.

Morgan Guaranty Trust Company, 23 Wall Street, New York, N.Y. 10015. In London: 33 Lombard Street EC3P 3BH; 31 Berkeley Square WIX 6EA. Other Banking Offices: Paris, Brussels, Antwerp, Amsterdam (Bank Morgan Labouchere), Frankfurt, Düsseldorf, Munich, Zurich, Milan, Rome, St. Helier, Tokyo, Singapore, Hong Kong, Seoul, Nassau, Buenos Aires. Representative Offices: Madrid, Beirut, Sydney, Manila, Jakarta, Kuala Lumpur, São Paulo, Caracas. International Subsidiaries: San Francisco, Houston, Miami, Toronto (J. P. Morgan of Canada Limited), Madrid (Morgan Guaranty, S.A.E.). Incorporated with limited liability in the U.S.A.

The Morgan Bank

		_	
	6 months	6 months	12 months
	to	to	to
	30th Sept.	30th Sept.	31st Mar.
	1978	1977	1978 .
	2	£	£
profit before taxation	579,995	261,045	573,460
ed taxetion	297,155	138,978	296,336
profit after taxation	282,840	122,067	277.124

Group t Estimete Half-year pre-tax profits increased by 122% and are

- higher than those achieved in the entire yeer 1977/1978. Maximum permitted dividend of 1.0548 pence per share.
- Recommended scrip issue of 1 for 5.
- \* Trend in profitability continuing which will ensure equally satisfactory results at the eod of the current financial year on 31st March, 1979.

loterim Accounts aveilable from The Secretary, Wintrust Limited, Imperial House, Dominion Street, London, EC2M 2SA.

#### *ANNOUNCEMENT*

Vesuvius Crucible Co. Ltd., Newmilns, Ayrshire, Scotland, and Dyson Refractories, Sheffield, announce that the Agreement drawn up on March 5th, 1963, between Vesuvius and J. & J. Dyson Ltd., Stannington, whereby J. & J. Dyson Ltd. were appointed exclusive U.K. Agents for the sale of Rotolok Stopper Heads, will be terminated by mutual consent on March 1st. 1979.

Further sales of these products will continue through Vesuvius' Head Sales Office at Newmilns and also through their new Branch Sales Office/Stockpoint at 7 Amos Road, Sheffield S9 1BX, via U.K. Salesforce.

#### and Markets

# Martin Ford expands to £1.33m. and confident

AFTER RISING from £444,517 to £553,837 in the first six months, profits, before tax, of Martin Ford, ladies' wear retailer, for the 52 weeks to December 2. 1978, emerge at a record £1,327,389 compared with £965,255 for 53 weeks. Thrnover was up from £5.57m to £8.49m.

The profit and sales figures represent increases of 40 per cent and 19 per cent on 1977 adjusted to 52 weeks.

The directors say turnover levels are continuing to edvance and several new branches ere scheduled to open during the current yeer. Accordingly, they view 1979 with every confidence.

After tax of £706,926 (£526,808), earnings per 10p share are shown to heve risen from 2.81p to 3.97p. The net final dividend is lifted from an adjusted 1.04p to 1.16p, making 2.26p. compared with 2.024p adjusted

Total dividend costs amounted to £353,125 (£316,250), leaving retained profit at £267,338. against £122,197.

At halfway, pre-tax profits were £553,837 (£444,517) on turnover of £3.14m (£2.7m).

#### comment

With full-year sales showing an annualised increase of almost e fifth, Martin Ford bas clearly had its share of the retail spending hoom. During the retail spending hoom. During the period only one small shop was opened, so growth has been achieved from existing outlets. The extra volume has had the expected impect on margins and profits—up 40 per cent—are nearly a third higher than the 1974-75 peak. Current trading suggests continued than the 1974-75 peak. Current trading suggests continued growth but much will depend on the level of disposable lncome later in the year. Consumer spending is already showing some signs of a downturn but, in contrast to men's clothing, demand for ledies' weer bas stood up reasonably well to cyclical downturns in the nast. cyclical downturns in the past. At 35p the shares are on a p/e of 8.5 while the yield is a solid

#### **BOARD MEETINGS**

Interims:—Eleco, Fittwilton, Grapperrods, R. and J. Pullman, United Real
Property Trust, Wigding Construction,
Finals: — Berisfords, Carrerton,
Viyalla, Foreign and Colonial Investment, TACE, United States Oebenture
Corporation, Weber Holdings, Youman
Investment Trust.
FUTURE DATES

•	Interims:—		
•	Bogod-Pelepah	March	
•	Bracken_ Mines	March	
ï	Ewer (G.)	Fan	
	Kinross Mines	****	
_	Lagle Cold Mines	MISTOR	
3	Leslio Gold Mines	March	
•	St. Helena Gold Mines	March	
•	Winkelbeak Mines	that in	
1	Finals:—		
	Crouch (Osrek)	Llarca	
t	Helen of Leade		
_	Holens of London	rco.	
1	Kleinwort, Benson, Longdale	March	
•	Rotaffex	Seb.	
,	SKF	March	
)			

#### N. British Steel first half warning

Results for the first balf of the current year et North British Steel Group (Holdings) would be reduced considerably compared with last year, said Mr. G. M. Menzies, the chairman at the AGM. Pre-tax profits at the interim stage then were £565,000 on turnover of £5.8m. He said that the fuel and haulage drivers' atrike had seriously effected the group. And it had also been affected by strikes at customers' works.

#### HASLEMERE **ESTATES**

Haslemere Estates amounces thet of the 5.5m ordinary shares issued by way of rights, 5.35m representing 97.3 per cent of the shares provisionally allotted, were taken up.

The balance has been sold and the excess over the subscription price (after sale expenses) of 22.90 per share will be distributed among the original aliottees in accordance with their respective entitlements.

### E. Jones (Jewellers) on target

TAXABLE profits of Ernest Jones (Jewellers) are on target in the year to September 30, 1978 coming out at £1.27m, against £811,000, on turnover, excluding VAT, up from £5.04m to £6.29m.

The group offered 1.5m 10p shares for sale last July, and it thea forecast that profits would not be less than £1.2m on turnover of not less than £6m. At believey taxable profits were

The Board now says the first quarter results of the current year are very encouraging, and trading during the Christmas period was at a high level. In the absence of unforeseen circumstances the directors are looking forward to continuing profitable growth.

After tax of £3,000, compared with £121,000, stated earnings per share are up from 15.2p to 27.4p. The final dividend, as forecast, is 3.5p net. In the prospectus the directors said that in a full year they would expect to pay divideads totalling 5.5p nn profits of £1.2m.

Dividends costing £125,000 were waived et the year end. The Board says the latest figures include the contributions of three new branches et Maidstone Bromley Manchester. These were opened as scheduled during the quarter of the year, and are echieving anticipated profits.

# Marchwiel tops £13.5m despite losses overseas

some 10 per cent to £187.54m and pre-tax profits were up slightly from £13.39m to £13.55m.

3p—the previous total was e re-stated 1.7p.

As foresbadowed at midway, it

was a poor year for the inter-national division where a loss was made for the first time, the directors say. Substantial losses were also incurred on two con-tracts at home. tracts at bome.
Mr. A. J. McAlpine, the chair-

man says that overseas it con-tinues to be extremely difficult to win contracts and the group has to accept that in the immediete fuure the returns from abroad will be less. He is optimistic, bowever, that the international division will return to profitability in the current year.

At home every effort is being made to improve the position on the two serious loss making contrects and the chairmen anti-cipates thet a substantial part of those losses will be recovered. Although it has been a difficult

rear the domestic order book at the year end was 50 per cent higher than at the same date lest year and be is satisfied that this work will produce a reasonable level of profit.

During the year the group pur-chased a 75 per cent interest in the Price Brothers (Estates) Group and are now private bouse-bnilding. "We have bad some in-itial problems but remain opti-mistic about the future," the

chairman says. Directors are also considering ther development schemes which it is hoped will contribute to future profits.

Liquid resources and shortterm investments at the year-end

and pre-tax profits were up slightly from £13.39m to £13.55m. However after increased tax, extraordinary debits of £2.76m egainst £82,000 and minorities, the attributable profit fell sharply from £8.04m to £3.77m. Earnings per share are shown et 19.3p against £4.5p. As forecast et the time of the capital reconstruction, the total dividend is 5p a share, the final being 3p—the previous total was e re-

UK lumövät ... Översoss ... . . Total turnöver Total turnover
Orectors' emoloments
Depreciation
Auditors' remunolation
Bank, etc., interest
Plant hire, etc.
Associate profit
Investment income
Interest received
Proporty income rox ......... Net probt ....

Sir Alfred McAlpine and Son

(Southern) raised turnover to a record £50m. One particularly severe loss-making contract has lowered profit margins which would otherwise have been satisfactory. The nutstanding workload is satisfactory and is uniformly distributed throughout the major activities.

The overseas contracting turnover of Marchwiel Holding AG and its subsidiary and essociated companies, fell dramatically, particularly in the Sudan where there bave been delays in the awards of further work

The loss, bowever, dld include significent marketing expenses incurred in investigating possible Delays in payments are still group still enjoys.

FOR the year ended October 31, 1978, turnover of Marchwiel, building, civil engineering and public works contractors, rose by [Northern] the largest unit in [Northern] the largest unit i

of new work with satisfactory margins very difficult.

Nevertheless, work being undertaken by the owners companies in Sudan and Dubai is proceeding taliafactority. Mr. McAlpine 233 while prospects at home leak a little prospects at nome near a little brighter than at this time last year the same does not apply to nhtaining new contracts overness, nevertheless, overall their is likely to be an increase in

Morgins on new work are not exciting but he hopes the mann can continue the upanter in profitability during the

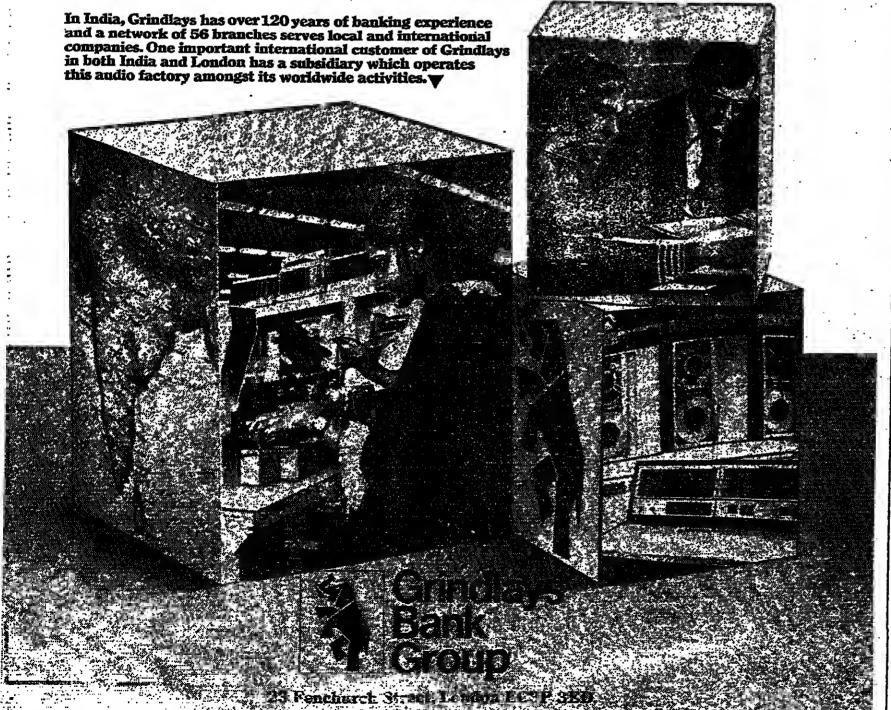
#### comment

Given the profits colleges over seas, it is as well that implied believes that UK project look a little brighter. The busying of public authority housing and general industrial beliefly coupled with some motories in motorway work add up in a green cent improvement in impose end value of the UK order look even if the opportunity is widen margins here remain limited. The construction group is marked. margins here remain limited. The construction group is markedly less sanguine about its prosperts for winning new overseas contracts which ere essential if the adverse impact of a tornover downturn on a high overhead structure is to be assessmed. While Marchwiel Hademed slightly better than et all high everyest loss is to rules the statistical markets in the absence of the break through in international markets. Sndan especially, a resumption of earnings growth still seminadirly distant so the pre of its at 100p, np 2p yesterday, is about right. np 2p yesterday, is about right. The yield of 7.1 per cont in the dividend rise foreshadowed by the capital reconstruction could prove a more promounced support for the shares in the light

# Grindlays A name you can bank on around the world

Banking on Grindlays means more than taking advantage of the Group's network of branches in some 35 countries. It means working closely with our specialists in such fields as export finance, foreign exchange eurocurrency finance, and corporate banking. They take full advantage of the regional knowledge and support provided by over 200 Group branches and offices located in most of the major world markets. This teamwork provides the right financial products and packages at the right time.

Members of the Group's Export Finance Department discuss various forms of ECGD finance with a major U.K. exporter. The Group can now handle ECGD buyer credit business in U.S. Dollars or Sterling and can also arrange the financing of supplier credit business.



# Record Ridgway order intake up

U.K. ORDER intake for the first picketing during January. Home 18 weeks of the current year at despatches were maintained Record Ridgway, hand tool manuwith difficulty but, although facturer, was 11 per cent ahead export despatches were almost of the corresponding period last totally frustrated due to the year, said Mr. A. B. Hampton, the chairman, at the annual meet-

This progress was expected to cleared, e maintained through con Produ

Orders from overseas increased 3 per cent compared with the The focus of the company's same period last year and this, attention continued to be the imwhile modest in total, was the re-sult of significant improvement particular emphasis on the over-in some sectors capable of expan-seas market, Mr. Hampton said. sion, offset by loss of orders from sectors severely affected cur-rently by local political and

economic problems.

While bome sales volume was expected to remain satisfactory in the current year, the company required a further increase in orders from overseas to maintain export sales volume as residual backlogs contributed to the sales total in the year to September,

Members were told that some inconvenience of customers and expense to the company resulted docks being closed, packing con-tinued and during early February the shipping arrears were

the maintained through continuing sales and marketing effort during the remainder of the year, he added.

Orders from overcase increased redundancles.

#### Baring Bros. unchanged at £650,000

after making transfers to inner reserves, profits of Baring Brothers and Co., merchant banker, were unchanged at £650,000 for 1978.

The entire amount is being Meeting, 88, Leadenball Street distributed as dividends, com- EC, March 15, 230 pm.

prising £165,375 on preference shares with the remainder as ordinary payments

The company has placed a hullding contract for the redevelopment of its former premises at 8, Bishonsgate, which is being undertaken jointly with Electricity Supply Nominees.

A fall in the balance-sheet property figure from £5.67m to £0.90m reflects the transfer of the property to the joint development.

ment. The company's capital expenditure commitment in this respect amounts to some £6.8m At the year end, cash in band at bankers, at call and at short notice amounted to £108,04m

(£98.34m). Bills receivable and certificates of deposit were £8.98m (£10.79m) and term deposits with banks and local authorities, £107.86m (£58.87m). Current, deposit and other accounts, including reserves and provisions for contingencies stood at £346.06m (£263.81m),

The company has "close" status and its ultimate holding company is the Baring Founds

# Kellock back on dividend list

£22.71m (£7.11m).

Although the after-tax profit of £69,059 against £51,887 was marginally lower than expectations, the directors are satisfied that during the year considerable progress was achieved in strengthening and expanding the two subsidiaries — Kellock Factors and H. Morris and Sons. As anticipated last year, there is a dividend of 0.5p net per 10p share. But directors stress that in the event of any improvement in profitability, it is intended only to recommend a similar payment in 1979 and beyond

man, explains that this is so the capital base of Kellock Factors can continue to be built up in order that its present rapid growth need not be retarded due to lack of shareholders' funds. During 1978, Factors made a profit after tax and before allocation of group overheads of £137,739 (£67,832), of which a proportion was attributable to minorities and to former sbarebolders of Belgrave Assets. The amount of client deht factored rose from £9.2m to £19.2m, and the directors are pleased with the progress which has been

The progress made at Morris was less evident. The severe weather in its area of operations in the early part of the year resulted in sales loss which proved to be irrecoverable. In addition, certain non-

In addition, certain non-recurring costs in connection with the installation of its computer system were absorbed during the year. The result of these adverse factors was that Morris reported a profit after tax of £49,445 (£79,327), before allocation of group overheads.

As a consequence of Factors continued growth, 1979 is expected to be the year in which the results of the decision to seek non-traditional investments will become evident.

Last uly, Kellock acquired the minority interest in Beigrave Assets. This, says the chairman, considerably strengthens the capital structure of the group as

PRE-TAX profits of Kellock well as enabling it to improve Holdings rose from £61,708 to operational and fiscal efficiency. £70,650 in 1978, on turnover of As previously stated, the operational and fiscal efficiency. As previously stated, the directors intend to epply for a listing of the company's securities during 1930. In the meantime, dealings are taking place under Rule 163 (2) which provides for deals in the accurities of unlisted companies.

Meeting, Reeding, April 24, at 3 p.m.

#### Investment portfolio for collectors

Towny Law and Co. has antered into a special arrangement with Stanley Gibbons International under which clients will be offered participation in a special collectables portfolio selected and advised by Stanley Gibbons. Included in the portfolio will be some or all of stamps, coins, banknotes, antique maps, playing cards, bonds, antiquarism books, antiquities and medals.

While it cannot give any guarantees, Stanley Gibbons bas indicated a firm intention of including in such portfolios only those items it would be prepared to buy back at a later date. It is recommending that such a

portfolio should be retained for Three years after the initial investment, Stanley Gibbons will provide portfolio valuations for each Towry Law client, which would be available thereafter on request on an annual basis. Stanley Gibbons will also advise clients on their existing holdings of collectors' items.

#### Advance for **Hunt Chemical**

With net income in the fourth-quarter well abead at US\$2.05m against US\$0.86m, Philip A. Hant Chemical Corporation, a 52 per cent owned U.S. subsidiary of furner and Newall, finished the December 30, 1978, year up 33 per cent from \$5.6m to \$7.45m. sales 24 per cent higher at

\$3.36m and yearly earnings rose from \$0.99 to \$1.31—the final quarter contribution of \$0.26 (\$0.15) is not directly comparable, because the 1977 figure was depressed by several non-

recurring charges.

The directors say all product groups contributed to the result with volume growth particularly strong in products manufactured for the electronic, photographic and electrostatics industries.

In the U.S., sales growth for

the year was 23 per cent and is Europe, 30 per cent. Encourage ing progress was made in new product introductions in the EEC and further progress made in products which have been marketed in Europe for e

#### Linread Board reorganised

Linread board, Mr. A. G. Hancor and Mr. B. Swann have resigned while Mr. Louis Vanderpump has been appointed a non-executive

The reason for the change is that the main board is going to leave sbort-term problems to a board of chief executives which meets quarterly. Mr. Hancox and Mr. Swann will retain their post-tions on this board as chief executives of the engineering division and the aircraft products division

respectively.

The main board will consider the longer term issues. It now consists of four men, Mr. A. H. Lynall, Mr. D. G. Lynall, Mr. H. Mead and Mr. Vanderpump, H. new appointee. Mr. Vanderp has recently retired from the position of director of distribution at W. H. Smith. His experted in distribution is expected to the opening, a spokesman said years.

WINTERBOTTOM Prudential Assurance of 33.3 per cent of the preferable capital of Winterbottom True In last Saturday's report.
Winterbottom Trust it implied that this was an equit

المك امن الصل

a manada a lites of editesons when have he had

# Olympia & York stake in EPC climbs to near 10%

CLOSE on 10 per cent of tion in respect of any shortfall English Property Corporation of rental systems oc rental has been bought in the market income.

The recent days by Olympia and Pincott is one of the major York, the Canadian company which is said to be considering

a counterful for EPC.

N. M. Rothschild, Olympia's advisers, yesterday announced that it had been buying heavily in the market on Monday at 481p and 49p and beld 7.6m shares. some 7.9 per cent of the ordinary sbares, and around 5 per cent of the convertible loan stock. By the clase of business yester-

day that stake was thought to have grown to around 9m shares. or just under 10 per cent. Under currency exchange laws Olympia now has to announce its purchases to the Bank of England. The Bank has the power to prevent foreign conceros from acquiring more than 10 per cent of British companies, although it does not usually interfere with the principle of

Meanwhila Olympia continues silent over its intentions, although English Property's board confirmed last weekend that an announcement will come

Wereldbave has until the end of the first week in April to declare its bid unconditional (Under the rules of the City Code it can extend its closing date by formightly intervals for 60 days and it has another 21 days in hand hecause of the earlier offer from Eagle Star.)

AUTOMATED

SECURITY
Antomated Security (Hidgs.)
has completed the purchase of E. Pincott and Co., a West Country security alarm company. The maximum consideration is £215,000 cash subject to a reduc-

security alarm companies in the West Country, based in Exeter, and has some 3,300 rental

#### SUITS moves into graphic art materials

The newspaper and publishing arm of Scottish and Universal Investments (SUITS) is moving into the graphic art material and equipment supply business.

Scottish and Universal Newspapers has acquired Thomson Graphic Systems for a cash sum understood to be something less than £150,000.

Thomson formerly owned by the private Bredalbane Invest-ments is one of the leading suppliars of graphic art products to the Scottish printing and publish-ing industry. The company is based in Glasgow and Aberdeen.

HAWKER SIDDELEY

At meetings of the shareholders of Westinghouse Brake
and Signal Company, the scheme
of arrangement whereby Westingbouse will become a whollyowned subsidiary of Hawker
Siddeley was duly approved by
the requisite majorities.
The number of Westinghouse
shares in respect of which forms
of election have been received
has been provisionally established at 2,613,889 which would lished at 2,619,889 which would

give rise to the issue of 995,558 for Sangers Opticonew Hawker Siddeley shares. ona of the top the Arrangement is subject to panies in its field."

approaches

expected to become effective nn March 23 1979 and dealings in the

SANGERS BUYS NINE

The Sangers Group announces

that its subsidiary Sangers Optics, has completed the acqui-

sition of nine more practices to hring its total to 57.

Seven of the new practices are in the north of Birmingham and in Staffordshire and have been acquired from J. Michael Higson.

Five operate under the Higson name and the other two as Curtis

Sangers Optics has also pur-

chased the practice of Alexander Inglis Opticians in York and the

inglis Opticians in York and the partnership of Covill and Sadd in High Street, Camberley. The latter will assume the name of Sangers Opticians but the other peactices will continue under their existing trading styles.

Sangers Optics has built up its optical interest in just over two optical interest in just over two years.

ona of the top three UK com-

MORE OPTICAL

PRACTICES

Sbares of Liden Holdings were suspended at Sn yesterday because the group has received a furry of bid approaches.

According to Mr. Norman Clothier, chairman of Liden, there being no reference to tha three companies came forward last week wanting to huy or merge with the whole group. A Monopolies Commission. Subject to the scheme being sanctioned by the High Court and to the new Hawker Siddeley shares being admitted to the Offi-cial List by the Council of the Stock Exchange, the scheme is

Liden gets

fourth company wants to buy a subsidiary of Liden. The three suitors for the group as a whole are a private company which wants to "reverse" into Liden, a quoted com-pany with turnover of £33m and new Howker Siddeley shares are expected to begin on March 26, 1979. Cheques for payment of the cash consideration are expected to be posted on April 11, 1970. a furniture company. The fourth interested company wants to buy a subsidiary of Liden at a price which is higher than the market capitalisation of the whole group said Mr. Clothier.

Liden is e whitewood furniture manufacturer and distribution company. It has not made an annual profit since 1974 or declared a dividend since 1975. Last month it announced that the preliminary results for the year ended November 30 1978 would be delayed. This knocked almost a quarter off the group's market capitalisation. The results are now expected to be announced or Friday.

Triday.

The attractions of the company to a potential bidder include 11 acres of industrial property, four acres of which are owned free-bold. The book value of the property in the last accounts was £353,000. The group was capitalised at £408,000 at the pre-suspension nrice of 8p per share. Mr. Clothier said yesterday that be did not know why the various predators had suddenly all made their moves at this par ticular time. He did not expect that a further announcement would be made until the middle of next week after he had talked with the companies involved.

years, acquiring practices at an average rate of one o formight.
Mr. Tony Goodman, Sangers group finance director, says the As a further consideration of expansion in 1979. "Our target is for Sangers Optics to become the acquisition of Casey's Camping. Pentos has issued 114,865 ordinary shares 129,983.59 in cash. shares

Ashdod, where new storage facilities have been built.

#### MINING NEWS

# Amcoal set for better things in long term

BY KENNETH MARSTON, MINING EDITOR

AN INCREASED profit of While it is thought the R52.7m (£30.8m) for 1978 complete in South African eqal shares generally has gone a little too fast Ameoul's chair-Africa's Anglo American Coal and too fast, Ameoda's chair-Africa's Anglo American Coal and Corporation. The final dividend is raised to 48 cents (28p) making o total for the past year of Johannesburg interview he can cents out of earnings of 224.5 cents out of earnings of 224.5 cents was paid out of earnings of 2013 cents.

America's Anglo American Coal and too fast, Ameoda's chairman, Mr. Graham Boustred, still sees his group as a good long term investment. In a recent underlined, the group's growth prospects inherent in its coormous of 2013 cents.

ings of 2013 cents.		
•	1978	1971
	· R000	· · R000
Tamover	308,444	259,131
Profit before tax	87,580	74,699
Taxation	30,360	24,626
Profit alter lex	57, 220	
Ourside phareholders	4,492	2,778
Attributable	52,728	47,295
Famings per shere	274 kp	201 20

Profits at the half-way stage in were 27.5 per cent np on those of the same period of 1977. Although earnings have been maintained in the second ball of

per share

made its first shipments and the expectation of an increased contribution to profits by the Kriel

But the reason who Amenol shares have come up from only 424p last year to the current \$10p is the anticipation of a rapid growth in revenue from exports. Overall, South African coal exports are expected to rise coal exports are expected to rise from the current level of around the current level of around the current level of around the concess of the concess of the current level of around the concess of the current level of around the concess of the current level of around the current level of around the current level of largest carner of exchange ofter gold. foreign

ing something of the order of tomes of coal a Year several times the current rate,

#### HUDBAY PROFITS MARK TIME

Because of a special charge of CS970,000 (£405,000) relating to 72.00 60.00 the translation of long-term deht in foreign currencies, fourth quarter carnings of the Anglo American group's Canadian Hudson Bay Mining and Smelting amounted to only CS438,000. The In the international steel market and when South African domestic and when South African domestic coal demand was subdued. Ambiguity properties for the current special's prospects for the current special's prospects for the current special is first shipments and the expectation of an increased in the special in the special in the international steel market and when South African domestic coal demand was subdued. Ambiguity properties for the current special is first shipments and the expectation of an increased by the new special in the special in the special internation of an increase of the demand the special contribution to profits, reflecting bigher prices and the substantial contribution to profits, reflecting bigher prices of copper and collars but also because of a strike lasting two months at its for molybdenum; zinc and gold. On the other hand, fourth quarter loss will be increased by stocks of the current provisions of Frs 100m, but this has been offset by an exchange profit of Frs 110m.

The company offered some entire to bulls of the demition of the fourth-quarter, the canadian metal's division made a substantial contribution to make a metal price expressed in dollars but also because of a strike lasting two months at its for molybdenum; zinc and gold. On the other hand, fourth quarter the was metal price expressed in make its for molybdenum; zinc and gold. On the other hand, fourth quarter, the company offered some entired the profits and the was metal price expressed in the contribution to make a substant and the was metal price expressed in the contribution to the fourth-quarter, the demition of the demit incurred a loss because produc-tion of copper was reduced as heavy rains in Arizona during November and December washed away water supply lines and

November and December washed away water supply lines and restricted open-pit mining to areas of lower-grade ore.

Terra Chemicals International, also incurred a loss for the quarter, tha result of depressed prices throughout the industry in both fertillsers and agricultural chemicals as well as sales volumes that were lower than expected.

In the oll and gas sector, aggregate earnings were reduced, primarily the result of a substantial downward revision at year-end of the reserves of

year-end of the reserves of

While it is thought that the netural gas, crude oil and natural see in South African coal shares gas liquids of Canadian Merrill which resulted in an increased depletion and amortisation charge against its earnings.

#### Losses mount at Le Nickel

SOCIETE LE NICKEL, the untily owned by Imetal and Elf-Aquitaine, pre-dicts a 1978 loss of Frs 500m (£58.3m), compared with a 1977 loss of Frs 65.8m. The forecast, announced yester-

day, was accompanied by a remark to the effect that another sbarebolder is being sought so that the company's funds may be increased. Le Nickel's situation was described as catastrophic by M. Albin Chalendon, the chair-man of Elf-Aquitaine, only last

taneously gave them a warning that present prices were too low to assure profitability for the producers. Le Nickel's losses have remained heavy in the first part of this reserved. part of this year.

#### **NEGEV EXPANDS PHOSPHATES**

CAPACITY

Piegev Phosphates, the state-owned Israeli company with three opencast mines in the Negev Desert, expects to export 2.4m tomes of various types of phosphates this year compared with 1.5m tonnes in 1978, writes
L. Daniel from Tel Aviv.
The Increase is the result of
an expansion at Nahal Zin, which now has a capacity of 2m tonnes a year. The expansion was made possible hy the completion of a rail link hetween Nahal Zin and

Mediterranean port

On the basis of present forecasts, export earnings in 1978-79 will be \$52.4m (£28.1m), rising to \$67.2m in 1979-80. Negev Phosphates has other intellections. Negev Phosphates has other installations at Oron and Mahtesh and a phosphoric acid

#### Noranda gains from Canadian dollar fall

ALONG with other base-metal producers. Canada's Noranda Mines enjoyed a pick-up in earn-ings during the fourth quarter of last year. They amounte dio CSS4.7m (£22.8m), bringing the 1978 total to CS135.2m, or CS5.72 per share, compared with 8C71.8m in 1977.

The most significant factor in the higher earnings, bowever, was the decline in the value of Canadian dollar. Prices of virtually all Noranda's products are quoted in U.S. dollars and company estimates that carb one cent decline in the Canadian dollar adds about CS5m to

#### PROFIT GROWS

Kerr Addison, the diversified minerals producer in tha Noranda group, has reported a 56 per cent rise in 1978 net income to CS9.6m (£4.0m) or 101 cents a sbare from C\$6.2m or 65 cents a share in 1977, wittes John Seganich from Toronto.

But 23 cents a share of the 1978 profits came from gains on the sale of investments, while the 1977 figures were lowered by 5 cents a share because of special items. Operating results for 1978 were only slightly higher than in 1977.

The main factors behind the better operating results were the strength of the gold and zinc markets, compled with the weaker Canadian dollar. Mogul nf ireland, a Kerr Addison sub-sidiary, had a small loss at its lead-zinc mine; production and sales were lowar.

#### PETER BROTHERHOOD LIMITED INTERIM STATEMENT

	Unaudit	od rosults	35
	six mon	the ths ended ptember 1977 £000	Year ended 31st March 1978 £000
Turnover	4,177	5,089	10,733
Tradiog Profit	185 · 52	354 34	\$85 121
Profit Before Tax	133 69	320 166	764 315
Profit After Tax ,	64	154	449

At their Board meeting held yesterday the Directors have decided to conform with standard practice of making two aonouncements of results—one for each half year. This means that their previous practice of making a preliminary announcement of the year's results a few weeks after the publication of the first balf-year results will be discontinued.

The Directors therefore declare an interim dividend in

respect of the year ending on 31st March, 1979, on the ordinary shares of the company of 1.8425 pence per share payable on 27th April, 1979, to the sharebolders registered on 28th March, 1978. This dividend, together with the related the credit is accomplished to a company of 28th March, 1978. tily credit, is equivalent to a gross payment of 2.75 pence per

share 11978—2.75 pence).

The Preference Dividend for the balf-year has been paid. Evoluting lax, the cost of the Interim Dividend is £58,039 and the preference dividend for the half-year £3,176.

The turnuver is influenced by delivery dates of individual contracts and in the current year substantial deliveries are due to be made in the last quarter, some of which may be problems of shipment. Trading conditions have remained difficult. The upward trend of new orders taken, reported in the Annual Statement last August, was

not maintained throughout 1978, but 1979 has made a better

£1.289,181 £1,023,821 GROSS REVENUE
EARNINGS per Ordinary Stock
Unit (net) **4.13**p 3.58p DIVIDEND per Ordinary Stock 4.00p 3.55p INVESTMENT — valued at 30th November (Total value after deducting net current liabilities) \$22,052,065
NET ASSET VALUE per Ordinary £20,867,679 131.9p 124.5p GEOGRAPHICAL DISTRIBUTION 71.7% 23.6% 4.4% 0.3% Great Britain 22.5% 3.3% 0.5% North America Far East ..... Managers: KLEINWORT BENSON

THE BRUNNER INVESTMENT

TRUST LIMITED

Extracts from the Report and Accounts for the year ended 30th November 1978

Final Dividend 2.15p net per Ordinary Stock Unit is payable 19th March, 1979. Annual General Meeting: - 20 Fearburch Street, London ECSP 3DB on Friday, 16th March, 1979, at 12.45 p.m.



# Alcan Aluminium Limited

Montreal, Canada

Highlights of 1978		
Operations for the year (U.S. Smillions)	1978	1977
Total shipments of aluminium products ('000 tonnes)	1,597	1.313
Shipments of fabricated products ('000 tonnes)	982	87
Total revenues and other income	3,738	3,059
Net income	289	203
Capital expenditures	321	233
Number of employees, at year end (thousands)	63	6
Financial, at year end (U.S. Smillions)		
Working capital	1,032	90
Net fixed assets and investments	1,866	1.700
Long-term debt	683	7.49
Common shareholders' equity	1,651	1,42
Return on average equity (%)	18.8	14.
Shareholdings, at year end		
Number of common shares outstanding (thousands)	49,447	40.44
Per common share (U.S. 8)		
Net income for the year	7.15	4.9
Dividends for the year	1.55	1.1
NOTE: All quantities of aluminium and other products are rep A tonne is 1,000 kilograms, or 2,204.6 pounds.	orted in metric tons,	or 'tonnes

#### Extracted from the 1978 Annual Report

The year 1978 was a good year for Alcan with profits and return on equity reaching levels which are required if we are to keep pace with the maintenance and modernization of older facilities and provide some capital for expansion. Sales tonnaga increased by 21% over 1977 and total revenues increased by 22% to \$3,738 million. This growth in sales volume, combined with bigher market prices and the cost efficiencies which can be achieved through near-capacity operations, resulted in a 43% increase in net profit to 289.4 million, or \$7.15 per common share compared with \$4.98 per share in 1977.

Most of the Company's operations outside North America continued to record an improving trend in profits. The major increase in profits was contributed by the Alaminum Company of Canada, Ltd. largely through increased sales of primary metal and through improved operations and sales in its U.S. febricating subsidiary.

We estimate that in the non-Communist world the growth in primary aluminium consumption was over 7% in 1978, compared with only 2% the previous year. North America showed growth of about 7%. Japan recovered by over 10% after declining the previous year, and Europe showed a 3 to 4% increase, Latin America held steady at an 8% increase. In Asian areas other than Japan, higher levels of growth were also experienced including additional purchases by the Peopla's Republic of China from Western world producers.

Since these demand levels were greater than the estimated increase of some 3% in smelter production, surplus inventories in the free world dropped from an estimated 1.5 months' supply at the start of 1978 to about half a month's supply at the current rate of usage.

Looking ahead, and adopting the current view that growth in overall industrial production may be somewhat slower in the future than in the past, we are assuming that the growth rate in aluminium will be in the range of 4 to 5% in the coming years. While this assumed rate of growth is below the historical rate, it will put a heavy capital hurden on the industry to expand to meet such growth in demand.

Alcan, we believe, is in a sound position to participate actively and profitably in the future growth of the industry. As more fully described elsewhere in this report, our present capital expenditure program will provide 27,000 tonnes of new smelter capacity in Brazil and Australia in 1979. 67,000 tonnes in Canada and Brazil in 1980, and 77,000 tonnes in Canada and Brazil during 1981 and 1982. Other opportunities in the field of primary metal expansion and related power supplies are being studied and our current program includes modernization and enlargement of fabricating in several markets.

We enter 1979 with a good order book and a firm tone in the market places. Although the preponderant opinion of forecasters predicts some slowdown in the North American economy as the year progresses, we believe the supply/ demand equation in our industry will support bealthy . market conditions in most major areas. In the case of Alcan, having drawn down inventories in 1978 to support a 21'd increase in volume of sales, we are currently in a position to maintain the 1978 sales level from our own primary production capacity and normal purchases.

Copies of the full Report and Accounts ovailable shortly from Alcan Aluminium Limited, c/o Publications Dept., Alcan House, South Bar, Banbury, Oxon ON169XJ, England.



**English Property Corporation Limited** 

### TO ORDINARY SHAREHOLDERS

Four reasons why you should reject the revised Wereldhave offer of only 46p

Your Company's net asset value per share is 71p (68p after full conversion). In addition low interest sterling finance is worth an extra 8p per share, and one recent transaction has added another 2p.

The net asset value of your Company has been supported by independent valuations. The open market value of development properties exceeds book value by 7p per share.

Your Company's assets are increasing in value. The massive development programme in the U.K. and Europe is virtually complete. Your Company is at a turning point in its fortunes.

EPC gives you an international property investment of the highest quality. Property markets generally are buoyant.

#### THE WERELDHAVE OFFER IS TOO LOW

The Board of EPC advises its share and loan stock holders

# To take no action

In the meantime discussions are continuing with Olympia & York Developments Limited, a Canadian company. A further announcement is expected this week.

The Board of EPC (with the exception of Sir Denis Mountain and Mr. F. A. Davies who have been given leave of absence) have taken oil reasonable care to ensure that the facts stated and the opinions expressed herein are fair and accurate and that no material facts have been omitted and jointly and severally accept responsibility accordingly.

#### NORTH AMERICAN NEWS

#### **Overseas** fillip for **Firestone**

FIRESTONE Tire and Rubber Company has made a better than expected start to its 1979 financial year, due mainly to a sharp increase in overseas earnings and a strong performance by its chemicals and raw materials

Not profits in the quarter ended January 31 jumped from \$7.4m, equal to 13 cents a share, in \$34.8m or 60 cents a share. Sales were 13.3 per cent higher

In spite of a number of special factors. Firestune is bound to regard these figures as eucouraging after its extreme difficulties last year over its "500" steel from a recall of more than tum tyres amounted to \$147.4m in the 1978 fiscal year and left the cumpany with a total loss for the

But the impact of the " 500" affair on the company's operanons appears to be less than some pessimists had predicted. Total operating profits from 13Tes fell hy about 7 per cent in 1978 and the first-quarter statement yesterday indicated that current problems relate much more to intense price competition in the U.S. market rather than coosumer resistance

to the Firestone name.

These indications will also comfort Borg Warner stockholders whose company has reached a merger agreement with Firestone based on an exchange of securitles which values the tyre producer at

Net profits in the quarter boosted by a \$10.5m were foreign exchange gain compared with an \$11.9m loss a year ago. Some of this gain was offset by inventory-related effects of · foreign exchange rates" which reduced income by \$7.3m cmmpared with a \$1.3m increase a

The company said that currency changes meant that lossmaking European operations "showed significant improvement" while earnings of the chemicals and raw materials group "were well ahead of a year ago and showed cootinuing strength."

#### Siemens and AMD part

By Max Wilkinson

SIEMENS, the West German electrical group, has ended its co-operation with Advanced Micro Devices of California for the development of intero-romputers in the U.S. and

Sielorns and AMD had furnied iwn joint venture companies for the purpose, one in Call-fornia, and the other near Munich. They were both called Advanced Micro Computers. The joint ventures formed a

year ago were 60 per cent iwned hy Siemens and 40 per cent owned by AMD. Now Siemens has agreed to sell its share of the Californian

venture and in exchange AMD is selling its share of the Munich operation.

A spokesman for Siemens yesterday said the split was the result of different strategies which were being pursued

# CAB hears Eastern's case in airlines battle

BY JOHN WYLES IN NEW YORK

as the unisider in the three-tion will swiftly compensate for horse race for National, any competitive disadvantages. Although its offer gives a sub-in its acquisition of National. stantial premium over the \$41 a share offer that National has enter Eastern-National routes accepted from Pan American World Airwaya, most ubservers cannot see how the CAB could approve an Eastern-National coules available airport gate space to other airlines on these routes.

Eastern will also argue that link hecause of its anti-competitive aspects.

The two airlines are in direct competition on 18 specific future is goi routes, including the highly more competitionally with the competition of the competit services. The Airline Deregulation Act requires the CAB to judge merger applications lines are not striding into their largely on their impact on competitive future on an equal competition and the Department of Justice is opposing the stranger will have clear aod combination on these grounds, ohvious advantages. But the Department is also

autics Board hearings on administrative law judge who is conducting the proceedings. Eastern is generally ranked that the dynamics of deregulain its acquisition of National. Other airlines will he able to

> a merger would give it the additional strength necessary to prosper in an industry whose future is going to he much more competitive because of

Mr. Frank Borman, Eastern's chairman, claims that U.S. aircompetitive future on an equal basis and that the financially

Eastern has long been one of

THE SCRAMBLE within the National, so in this respect at acquisition of National fur National Airlines and Scott of National fur Scott of National Airlines and Scott of National fur Sco for 52 new aircraft.

The CAB hearings are expected to take several weeks and the law judge's decision will then be considered by the Board alongside a ruling from separate proceedings on the applications from Pan Am and Texas International Airlines

Mr. Michael Armellino, airlice analyst with Goldman Sachs, forecast recently that Eastern would be eliminated from the race on anti-trust grounds and that the CAB would allow the market place to determice between Pan Am and TXIA. In the meantime, a strong pointer to CAB thinking will come next month with a ruling on the merger application from Western and Continental Air

# Portugal wants new Ford plant

BY HMMY BURNS IN LISBON

that Portugal bas joined a grow- the Alcatejo. ing list of European countries contending for the projected Ford assembly plant in Europe, to have begue in earnest yes-Sr. Cardoso Cunha, the Portuguese Secretary of State for industry, and a leading figure in an amhitous plan to Portugal's crisis-torn

According to Ministry officials, the Portuguesc Government wants to attract Ford to snover appear connected with the huge industrial complex of Sines, south of Lisbon, where the surrounding region can pro- France which have now entered

plant at Sines, however remote, the Renault project valued is being treated very seriously initially at FFrs 1.2hn and by Government officials here involving the creation of 6,000 given the complex's present new jobs financial difficulties and the Ford officials have indicated growing unemployment in the in the past that the Renault

**U.S. QUARTERLIES** 

AMERICAN NATURAL RESOURCES

CARRIER CORPORATION

DEERE AND COMPANY

Revenue ...... ... Net profits .... . . Net per share . . . ..

First quarter

This consouncement appears as a matter of record only

Korea Electric Company

U.S. \$92,059,271

Guaranteed by The Government of The Republic of Korea

Finance for Turbines and Generators to be supplied by GEC Turbine Generators Limited for Nuclear Units Nos. 5 & 0

Arranged by

Lazard Brothers & Co., Limited

Provided by Barclays Bank International Limited

Lloyds Bank International Limited

National Westminster Banking Group

with the funding and payment guarantee of

**Export Credits Guarantee Department** 

Korea Merchant Banking Corporation

assisted in this transaction

IT HAS been confirmed here surrounding agrarian helt of plan threatens their own opera The Portuguese campaign to since it would involve a guaranbring Ford to the area appears teed major share of the

Mr. Patrick Byrne. motor industry, put forward a on bis visit hy Sr. control proposal to Ford during a secret Cunha, and by leading Portuguese industrialists and lucal guese industrialists and lucal planning authorities.

terday with a visit to the area

by the managing director of

Ford's operations in Portugal,

Delays in making the proposal the Portuguese Government's vide both the industry and the a delicate final phase. Some employment necessary for the industry officials here believe that a negotiation with Ford The pruspect of a New Ford nught have a negative affect on

FEDERAL-MOGUL CORPORATION

Year

Year

Ret profits ... 81.93m 64.17m

Net per share ...... 4.32

ROPER CORPORATION

Fourth quarter

#### Peak turnover for Upjohn

pharmateutical group, said 1978 domestic sales rose 15 per cent to \$817m and foreign sales increased 21per cent to 8511.60t, hoth reaching record levels. Cunsolidated sales rose \$195m

with \$51m attributed to price increases, \$134m to columne increases and \$10m to favourable foreign currency exchange. currency gains contributed S cents a share to 1978 earnings against a loss of 4 cents in 1977. Losses on Brazilian and other currencles were more than

Upjoho sald fourth-quarter operating income rose 14 per \$39.5m but cent to \$39.5m but was adversely affected by higher marketing and administrative expenses than in the previous

tions in the field of car assembly doniestic market for the French

KALAMAZOO - Upjohn, the

Upjohn added that inreign Netherlands and Italy.

#### almost level with Copen-bagen's Handelsbank, the largest commercial bank. A major factor in SDS's profit advance bas beco the

swift expansion of its international operations. Earnings from foreign exchange opera tions nearly tripled to DKr 48m and net interest income on deposit dealing with foreign financial institutions rose from DKr 8m in 1977 to DKr 45m last year.

Growth at

Danish

savings

By Our Nordic Editor

SPAREKASSEN, SDS, Den-

mark's biggest savings hank.

achieved pre-tax earnings in 1978 of DKr 270.2m (351.9m)

after depreciation but hefore

allocations and adjustments for changes in the market

values of securities. This represents an increase of over

per cent and brings SDS

bank

The bank's operating profit before depreciation on ordinary banking operations grew by 78 per cent to DKr 336m. Part of this rise stems from the switch from a loss of DKr 35m on currency fluetustions in 1977 to a gain of DKr 1.5m last year. Excluding this change, the rise in operating profit was 49 per

SDS made capital gains on sits houd holdings of DKr 83m during the year and losses of DKr 21m on its share hold-Ings. The net profit declared is DKr 222m, which is DKr 80m or 56 per cent ahead of

the 1977 result, SDS was formed in 1973 from the merger of three large Danish savings hanks. In its sixth accounting year its balance sheet grew by 11.5 per cent to DKr 20.4bn. The guarantee and reserve capital at the end of 1978 totalled DKr 1,66hn against DKr 1,44bn a year carlier.

#### Papyrus lifts profits

By William Dulfforce in

PAPYRUS, the Swedish pulp, paper and board group, yesterday reported pre-tax earnings of SKr 43.3m (89.9m) on a turoover of SKr 1.2bn (5276m) for the last eight months of 1978. The profit is SKr 2m more than the result achieved in the previous 13month acconotiog period, if the state stock subsidy theo received is excluded.

The heard proposes to par sbareholders a dividend of SKr 3 a sbare for the eight months, in comparison with the SKr 2.90 a share paid oo the previous 13 months.

#### **EUROBONDS**

## Increased demand boosts prices in dollar sector

investor interest was centred on quality honds yielding around 10 per cent.

The \$50m to year convertible for Honda has been priced al par, bearing at per cent. The issue is convertible from May 1 into Honda stock at Y532 a share. Based on yesterday's closing price in Tokyo of Y484. the conversion premium is 9,92 per cent.

Deutsche-Mark international bonds continued to perform poorly, amid rumours of an impending cut in new issue

WestLB confirmed that CNT's DM 100m eight-year thar Eurobond will carry a 61 per cent coupon with pricing of 99

with gains uf up to three points.

Demand spilling over from Meanwhile. Credit Suisse.

Ioreign purchases of Brilish deniestic Government bonds helped this serior, dealers said.

John Wicks adds from Zurich: at par at 35 per cent, announced that the firstle was fully the first the firs The Canadian Government is to that the borrow a total of SwF 1.5bn in subscribed.

had been heralded last week in Ottawa by Canada's Finance Minister, M. Jean Chretien.

The borrowing will be made up of a public offering of Cana-dian Government bonds, probably between March 9 and 14, equal to SwF 500m. a private placement of a further SwF 500m of notes and a bank loan of SwF 500m.

The boods involved in the public offering will have a ten-year maturity and a coupon expected to be under 33 per cent. The private placement will be of six year notes and the bank loan will be of a shorter maturity still. Details are not yet available.

Over the past year Canadian

per cent.

Elsewhere. Eurosterling bonds attracted widespread support. with gains of up to these cents.

Over the past year Canadian bond offerings on the public Swiss capital market have totalled SwF 338m with coupons varying from 33 per cents.

issue was fully

#### MEDIUM-TERM GREDITS

# Statoil to raise \$300m

BY FRANCIS GHILES

NORWAY'S STATE oil company. Spanish chemical company, is pany. Statoil, is raising \$300m for ten years on a split spread need to the first seven years rising to per cent. Chase Manhaltan Bank Ltd is co-ordinating this lean as it played a similar role with the nervious loan for Statoil arranged last winter. The terms of the current loan are slightly finer than those obtained by the larrower last year.

Spanish chemical company, is raising \$25m for eight years on a spread of \(\frac{1}{2}\) per cent through a group of banks led by Continettal Illinois Ltd. The grace period is 42 months and the two parent companies. Union This loan as it played a similar Explosives Rio Tinto and Hoechst A G are guaranteeing respectively 55 per cent and 45 per cent of this loan.

In Asia, the Korea Exchange Bank is raising \$200m for ten

Bank is raising \$200m for ten As was the case last year, a small group of banks will participate in this han.

Another European harrower.
Institute per lo Syrluppo Economico dell' talia Merioionale (ISVEIMER) is raising \$1000 for five years with 35 months grace on a spread of 7 per cent throughout. Lead Manager is Dillon Reall.

Taragona Química, the

# Au Printemps hopes to pay dividend next year

AU PRINTEMPS, one of France's top retail groups, has broken a loss-making run, aims to increase profits this year, and hopes to start paying dividends again in 1980. hopes to start paying dividends again in 1980.

M. Bertrand Maus, the chair- 20,000. man, told an investors' symposium in Paris yesterday that lbe group would show a consolilated net profit of between FFr 50m and FFr 60m (some \$11.5m to \$14m) for 1978, compared with a loss of FFr 64.5m the year before.

The profit is the group's first

for four years and only the second in eight years. If this year's performance is as satisfactory, Au Printemps intends to resume dividend payments o resume dividend payments strategy of returning to town ext year. centres after loss-making. The turnaround in results experiments in new tirhan

comes after two years of developments, but is planning

and a reduction in its workforce from over 22,000 to under

Sales in metropolitan France

position in the Prisunie popular store business last year by increasing its stake in Fisuma. increased hy about 10 per cent a company which ran a chain of stores bearing the Prisunic emblem. The acquisition also with a 9 per cent growth the year before, which was already double 1976's.

M. Maus said the group's policy would continue to be cautious this year but that the

cautious this year but that the would try to concentrate on the recovery programme could now be considered successful.

Au Printemps is pursuing its decoration. It would be suicidal, he said, to take on competition such as the hypermarkets on all

#### **Currency translations hit** Georg Fischer sales

BY JOHN WICKS IN ZURICH

GROUP SALES of the Swiss machines and steel castings, engincering concern Georg Fischer, Schaffhausen, fell by some S per cent last year from heavy competition, while wheels SwFr 1.4bn to SwFr 1.28bo manufacture suffered from the 18766.47m). According to a sharp fall in lorry purchases by prospectus published by the parent company in connection with the issue of SwFT 50m of eight-year bonds at 3 per cent. well over half this decline was castings to Germany and such due to translation losses on the other sectors as electroturnovers of subsidiaries.

Group profits for 1978 will have been below the SwFr 20m (\$12m) booked for the previous

were particularly affected by the exchange-rate situation and OPEC countries. Among operations with "satisfactory to good results" were the British cast ings manufacture, automotive foreign armatures, plastic products and machinery

For 1979, Georg Fischer reckons that with more stable year, Production units, mainly monetary and economic condi-located in Switzerland, for tions there will be an improve-machine tools and certain other ment in profitability.

#### **Swiss Confederation bond issue**

BY OUR ZURICH CORRESPONDENT

to float SwFr 250m oo the 15, a 5 per cent issue from the year to be issued since the float of 1967, with original maturity in SwFr 500m at 33 per ceot in 1982. This is oow to be re-Fehruary, 1977.

THE SWISS Confederation is deemed prematurely on March domestic hond market from The new Federal boods, which February 26 to March 2 at ao will be offered at 100½ per cent interest rate of 21 per cent. The of nominal value, will have 12-year bonds are intended for a minimum denomination of repayment and re-financing of SwFr 5,000. They are the first

#### **Esselte profits** well on target

By William Dullforce in Stockholm

THE NINE - MONTH report released by Esselte showed the expanding Swedish uffice equipment, packaging and printing group to be well oo target for its forecast 30 per ceot growth in pre-tax earnings The board announced at the same time that it was calling an extraordinary general meeting on March 7 to authorise a convertible bond issue in foreign halving the nominal value of the shares to Skr 50 each.

The pre-tax profit of Skr 182m (\$41.8m) achieved in the nine months to December 31 was a Skr 53m improvement on the group's performance in the corresponding period of 1977. Sales were 37 per ceot. ahead at Skr 2.47bn (\$568m). These figures include seven-

month figures for Dymo Industries, the American company taken over by Esseite last year. The macagement is keeping to its half-way forecast of a 220m pre-tax figure for 1978-79 as a whole. The board is

aothority from shareholders for B coovertible bond issue In

#### FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of Eurobood prices published to the second Mooday of each month.

Closing prices oo February 20 U.S. DOLLAR STRAIGHTS Aga Aki. 94 88 ..... Austrelia 845 83 ..... Austrelia 91 93

1	U.S. BOLLAR		Change on
	STRAIGHTS	lezned	· Sid Offer day week Yield
1	Austrelie B.45 B3	175	95's 96 +0's -0's 9.91
1	CECA 55 87	75 50	95% 96% ~0% -0% 9.88
1	CECA 34 34-99	50	95' 96' 0 -0 6.81
i	C3nada 9 93	400	97' 98' 0 0 9.80
1	Canada Fr. 98	350	961 97 0 -01 8.86
ł	Oominion Bridge 9 86	25	944 944 +04 -04 10.08
Į	Export Dy. Con. 5.85 84	125 150	94% 95% 0 +0% 9.90 100 700% 0 +0% 10 07
ı	Eksportfinans 9 96	50	85 95 +0 -0 9.88
ı	Finland 9 88	100	547 554 0 -04 8,99 547 954 0 +04 10.03
ĺ	Finland 84 85	100	974 974 0 -04 10.03
į	Itel Finance 9% 90	30	83 83 +04 -04 10.72
ł	NZ Oev. Fin. 84 83	100	954 954 0 -04 9.77
i	NZ Oev. Fin. 84 85	20	83 937 +01 -01 8.85
Į	Newfoundland 9 90	50	95's 96's 0 -0's 9.65
ł	Nord. Inv. 8k. 84 85	. 25	941 947 ~014 -01 B.54
Į	Norway 7's 83	250	921 937 +01 -01 B.58
[	Norway 84 84	150	9672 97 0 -01 9.91 1001 1001 +01 +01 5 88
Į	Occidental 8% 85	75	92 921, +01 -01, 10.61
ł	Quotec Hydro 95 93	50	96% 96% 0 -0% 8.94
ł	lik p:, p5	126 200	94% 95% 0 -0% 10.06
1	IIK P., P5 Ur. 8's 93	150	941, 942, +01, -01, 10, 17 951, 96 +01, -01, 9, 91 951, 961, -01, -01, 9, 91 951, 831, 0 -01, 5, 81 941, 941, +01, 0 9, 88 951, 971, 0 -02, 8, 85 941, 941, +01, 0 10, 11 941, 941, +01, 0 10, 11 941, 941, +01, -02, 10, 03 941, 951, +01, -02, 10, 03 941, 951, 0 +01, 10, 03 951, 951, +01, -02, 10, 03 951, 951, +01, -02, 10, 03 951, 951, +01, -02, 10, 03 951, 951, +01, -02, 10, 03 951, 951, +01, -02, 10, 03 951, 951, +01, -02, 10, 03 951, 951, +01, -02, 10, 03 951, 951, +01, -02, 10, 03 951, 951, +01, -02, 10, 03 951, 951, +01, -02, 10, 03 951, 951, +01, -02, 10, 03 951, 951, +01, -02, 10, 03 951, 951, +01, -02, 10, 03 951, 951, +01, -02, 10, 03 951, 951, +01, -02, 10, 03 951, 951, -02, 10, 05 951, 951, -02, 10, 05 951, 952, -02, 10, 05 951, 952, -02, 10, 05 952, 953, -03, 10, 05 953, 953, -03, 10, 05 953, 954, -03, -04, 10, 05 953, 954, -03, -04, 10, 05 953, 954, -03, -04, 10, 05 953, 953, -03, -04, 10, 05 953, 954, -04, -04, 10, 05 953, 954, -04, -04, 10, 05 953, 954, -04, -04, 10, 05
١	STRAIGHTS	Inches	Change on
١	American Ex. Inc. 5% 87	70	9714 98 01 0 5.88
1	Austrelie 6 88	750 250	954 954 +04 -04 7.17 995 100 +04 +04 9.00
Í	Auetria 5½ 90	150	91 924 +04 +04 6.72
İ	8q. Ext. Algeria 74 85	100	954 964 0 -04 8.06
1	CECA 6 88	150 150	100 100 0 0 7.18
1	Conada 44, 83	600	957. 957. 0 +01. 6.70 933. 947. 0 -17. 9.87  Change on Bid Offer day week 17-46 957. 9801. 0 5.88 957. 9801. 0 5.88 957. 9801. 0 5.88 957. 9801. 0 5.88 957. 100. +01. +01. 6.72 98. 98701. +01. 6.72 98. 98701. +01. 6.72 98. 98701. +01. 6.72 98. 98701. +01. 5.96 957. 987. 0 -01. 5.96 957. 977. 0 +01. 5.28 881. 99701. +01. 6.67 97. 977. 0 -01. 6.67 97. 977. 0 -01. 6.67 97. 977. 0 -01. 5.51 97. 977. 0 -01. 5.51 97. 977. 0 -01. 5.51 97. 977. 0 -01. 5.51 981. 977. 0 -01. 5.51 981. 977. 0 -01. 5.51 981. 977. 0 -01. 5.51 981. 977. 0 -01. 5.52 981. 977. 0 -01. 5.52 981. 977. 0 -01. 5.80 981. 981. 0 -01. 5.80 981. 981. 0 -01. 5.80 981. 981. 0 -01. 5.80 981. 981. 0 -01. 5.80 981. 981. 0 -01. 5.80 981. 981. 0 -01. 5.80 981. 981. 0 -01. 5.80
I	Commerchenk WW 32	100	881 991 ~04 ~04 6.11 995 1005 +03 +04 3.50
I	Commerchenk XW 35	100	91 82 0 +05 6.16
ĺ	Council of Europa 61	100	97 974 0 -04 6.51
ı	Denmark 5's 85	100	964 974 -04 -14 5.67 96 964 0 -04 6.53
ł	Oenmark 5/2 89	100	96% 96% 0 +0% 7.00
ı	EI8 61, 91	200	96 97 0 +0 6.91
1	Finiand S 83	100 150	985, 985, 0 +05, 8.66 100 1003 -05, +05, 5.90
١	Hitechi Ship. 54 \$3	50	99 99 0 -0 5.84
ł	Indonesie 7 84	100	973 983 0 0 7.44
ſ	Kobe, City of 5% 86 Mirsubishi Petro. 5% 85	100 100	974, 884, -04, -2%, 6.03 994, 1004, 0 -04, 5.77
Ī	New Zeeland 51, 97 Nippon Steal 51, 85 Nippon Tol. & T. 51, 87 Nordic Inv. Bk. 51, 88	290	994 1004 0 -04 8.27
l	Nippon Tol. & T. 57 87	100	98 964 -04 -05 6.11
١	Nordic Inv. Bk. 64 86 Nordee Komm. 8 60	100	384, 1004, 0 - 04, 8.27 385, 394, -04, -04, 5.95 38, 964, -04, -04, 6.11 373, 383, +04, +04, 8.64 353, 964, -04, -1, 6.50 373, 974, 0 0 - 0, 7.28 100, 1004, 0 - 04, 7.28 100, 1004, 0 - 04, 7.28 374, 384, 0 - 04, 7.28 374, 384, 0 - 04, 7.28 374, 384, 0 - 04, 7.28 374, 384, 0 - 04, 5.48 374, 584, 0 - 04, 5.53
l	Norges Komm. 64, 89	150 125	975 975 0 0 6.60
ı	Occidentel 64 80	150	95 96 0 -04 7.28
ļ	Petreleo Brazil 7 88	100	973 984 0 -01 7.29
Ì	PK Banken 5½ 88	100 30	91° 92° 0 -0° 3.91 27° 97° 0 -1° 5.93
l	Statoil 6 88	150	947, 95% +0% +0% 6.68
ı	Union Bent Fine 6 88	50	943 95 0 -0 7.24
١	Vennzuela 61- 90	400	97, 97, 0 -0, 2, 3, 37 97, 97, 0 -1, 5, 53 94, 95, +0, +0, 6, 88 96, 96, 0 -0, 6, 89 94, 95, 0 -0, 7, 2, 4 93, 93, 0 +0, 7, 36 97, 97, 0 +0, 8, 84
l	SWISS FRANC		Change on
ı	SIRAIGHTS Acesa 54 88	155Upd 40	104, 105 -04 +04 4.61
ļ	Amer. Exp. Int. 21, 93 Aribem Tunnol 4 93	40	1011, 1011, +01, -07, 3.38 1011, 102 0 -03, 3.84
١	Austria 31, 93	100	98°, 100 0 +0°, 3.51
ı	Chose Manhattan 4 93	70	105 105 +0 +0 3.91
ĺ	Council of Europe 44 Bankamerice 34 93	100	104 1044 - 04 + 04 3.81 1021 1024 + 04 + 05 3.82
Į	Dunmery AL SO	75	1025 1025 -05 -05 4.68
l	Denmark Wartgege Sk.	80	1044, 1044, -64, -67, 3.98
}	Euratom 4 93	80	108 10312 +01 -04 3.95
ĺ	Finland 41 93	25 80	1024 1024 0 -04 4.05
١	G78 45 93	100	103% 104% -0% -0% 4.12 104% 104% +0% +0% 3.82
J	Melaysia 44 90	100	994, 99% - 01, -01, 4.78
ļ	Nowan 4 92	70	103 103 0 0 3.70
Į	Norges Komm. 4's 90	100	105° 105° -0° +0° 2.66
ł	Or 8 4 93	20	7034 1034 -04 -04 3.70
ı	Sale 41, 93	30	1031 1037 +04 0 3.90
I	Seas 47, 88	15	1034 104 +04 +04 4.00
I	Vocathern Krait 4 93	30	97 2 0 +0°, 8.64  Change on  Bid Infer day week Yield 104+105 -0°, +0°, +0°, 4.63 10°, 10°, 10°, +0°, -2.3 10°, 10°, 10°, +0°, -2.3 10°, 10°, 10°, +0°, +0°, -2.3 10°, 10°, +0°, +0°, -2.3 10°, 10°, +0°, +0°, -2.3 10°, 10°, +0°, +0°, -2.3 10°, 10°, +0°, +0°, -2.3 10°, 10°, +0°, +0°, -2.3 10°, 10°, +0°, +0°, -2.3 10°, 10°, +0°, +0°, -2.3 10°, 10°, +0°, +0°, -2.3 10°, 10°, +0°, +0°, -2.3 10°, 10°, +0°, +0°, -2.3 10°, 10°, +0°, +0°, -2.3 10°, 10°, +0°, +0°, -2.3 10°, 10°, +0°, +0°, -2.3 10°, 10°, +0°, +0°, -2°, -4.7 10°, 10°, +0°, +0°, -2°, -4.7 10°, 10°, +0°, +0°, -2°, -4.7 10°, 10°, +0°, +0°, -2°, -4.7 10°, 10°, +0°, +0°, -2°, -4.7 10°, 10°, +0°, +0°, -2°, -4.7 10°, 10°, +0°, +0°, -2°, -4.7 10°, 10°, +0°, +0°, -2°, -4.7 10°, 10°, +0°, +0°, -2°, -4.7 10°, 10°, +0°, +0°, -2°, -4.7 10°, 10°, +0°, +0°, -2°, -4.7 10°, 10°, +0°, +0°, -2°, -4.7 10°, 10°, +0°, +0°, -2°, -4.7 10°, 10°, +0°, +0°, -2°, -4.7 10°, 10°, +0°, +0°, -2°, -4.7 10°, 10°, +0°, +0°, -2°, -4.7 10°, 10°, +0°, +0°, -2°, -4.7 10°, 10°, +0°, +0°, -2°, -2.7 10°, 10°, +0°, +0°, -2°, -2.7 10°, 10°, +0°, +0°, -2°, -2.7 10°, 10°, +0°, +0°, -2°, -2.7 10°, 10°, +0°, +0°, -2°, -2.7 10°, 10°, +0°, +0°, -2°, -2.7 10°, 10°, +0°, +0°, -2°, -2.7 10°, 10°, +0°, +0°, -2°, -2.7 10°, 10°, +0°, +0°, -2°, -2.7 10°, 10°, +0°, +0°, -2°, -2.7 10°, 10°, +0°, +0°, -2°, -2.7 10°, 10°, +0°, +0°, -2°, -2.7 10°, 10°, +0°, +0°, -2°, -2.7 10°, 10°, +0°, +0°, -2°, -2.7 10°, 10°, +0°, +0°, -2°, -2.7 10°, 10°, +0°, +0°, -2°, -2°, -2°, -2°, -2°, -2°, -2°, -2
)	World Bank 44 93	250	1034 1034 +04 0 3.85
ł			Change on
Ì	YEN STRAIGHTS Asien Dev. Ek. 5% RB	Issued 16	Bid Offer day week Yield 91's 92's - 0's -2's 5.86
ĺ	Australia 56 83	30	997, 1007, 0 -0's 5.68
I	BFCE 6 4 90	30	934 944 -04 -04 7.27
ĺ	Finlend 5.5 83	10	Charge on  Bid Ofter day week Yield  91's 92's - 0's - 2's 8.58  98's 100's 0 - 0's 5.58  98's 97's 0 - 1's 7.10  93's 94's -0's -0's 7.27  193's 94's -0's -0's 7.27  95's 97's -0's -0's 7.40  92 92's -0's -1's 7.44
١	Furland 6 8 88	10	96's 97's -0's -0's 7.40 92 92's -0's -1's 7.44

OTHER STRAIGHTS Issued Bid Offer day week Yield FLOATING RATE

No Intermetion evailable-pravious day a price.

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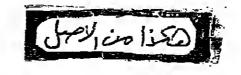
poice party con-that ed to

7 Only one marks; maker oupplied a price. Straight Bonds: The yield is the yield to redemption of the mid-price; the emount issued is in millions of currency units extept for Yen bonds where it is in billions. Change on week a Change over price a week asrier.

Floating flats Notas: Denominated in dullers unless otherwise indicated, M=Minimum coupon. C.dte=Cere next coupon becomes effective. Spread = Marqin above alx-month offered rate for U.S. dollars. C.cpn = The current coupon. C.yld=The current yield.

Convertible bonds: Denominated in dollars unless otherwise indicated. Cho. day = Change on dey. Chv. price of First date for conversion into change. Chv. price of Normal smount of bond par share expressed in currency of share at conversion rate fixed at issue. First = First at conversion of the current effective price of acquiring shares via the bond over the most recent price of the shares.

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#### INTERNATIONAL COMPANIES and FINANCE

EUROPEAN BANKING

# Volksbank looks east

BY JOHN WICKS IN ZURICH

co-operative but is very much the sophisticated big bank in all

its ways-is looking outward

the position of other member

of the "Big Five," some of whom are now working hard to

build up their Swiss base. In

fact, Volksbank already has a large domestic network—bigger, indeed, than that of Credit

Suisse. But it has also brought

the foreign share of its assets

up to some 20 per cent and could well expand this further

to about one-quarter. This important foreign stake is not

wholly new to Volksbank, which in the 1920s had more foreign

accounts than any other Swiss hank and was still the second biggest in this sector before its

Unlike other Swiss institu-tions, Volksbank has been interested less in establishing itself in the U.S. and the Middle

East and more in a Far-Eastern

presence. One of the really big

names in business with Japan and China (helpfully, its English translation is "Swiss

English translation is "Swiss People's Bank"), it set up in Tokyo last July and is already

to expand its office there this

April In the next two years, Volksbank may increase its foreign network in the Far-

East and South-East Asian

area to meet growing client requirements. One possibility

would be Singapore, in which Swiss industry and the bank itself sets considerable hopes;

As to an actual permanent presence in China, Volksbank

says it would not create a branch there for purely prestige purposes. This, in fact, would

seem superfinous in view of its

existing good connections with China through such channels as

embassy services and the Bank

**Euromarkets** 

This does not mean thet Volksbank is interested only in Asia. It opened np Banque

Populaire Suisse SA in Luxem-

No further Western European

.The Bank of Ireland, unlike

nine sharebolders, each holding not less than 460 units of stock,

shareholding for such action.

Mr. Rowan and hia other

stockholders intend to raise

other metters et the meeting,

company called Hammond Hold-

£700,00 to the purchaser, TMG

that profit forecasts for the company were significantly over-

This should not have been e

metter for the bank, but the fact that it beld more than 18

per cent of the company's shares

and that three directors of the

bank were on the board at Hammond Holdings are thought

to have persuaded it to pay the

compensation, to the chagrin of

others in merchant banking

that it will answer all these

receivers and managers and

The Bank of Ireland claims

another is Hong Kong.

crash in the thirties.

THIS WEEK, the Berne-based bas the legal form of a Swiss Volksbank is in the news as the only big hank in the country as yet to cut back its dividend for 1978. Net profits rather than at the domestic dropped from SwFr 55.5m market This is not necessarily (\$33.2m) to SwFr\_52.3m last year, due primarily to tighter interest margins and the ban -recently lifted after almost a

Transfers to reserves match the SwFr 15m made in 1977. Shareholders see a reduction in dividend from SwFr 80 to SwFr 70, or from 16 to 14 per cent. But this indicates nn lack nf vigour in the pursuit of new

Word got out several months ago that Volksbank was conforeign exchange and other

Despite these passing clouds. Volksbank is in good made public, the share price was around SwFr 2,000, as compared with SwFr 1,790 on November 28: over the past five heen the highest of any of the "Big Five"—of which Volksbank is number four. The Board will accept the drop in dividend—sure enough, in fact, to have indicated already that no return to the 1977 level is likely

Certainly, last year's decline in profits by no means resulted from a fall in overall operations. The balance-sheet total expansion in activities necessitating a 200-strong growth in the labour force—in its turn ooc contributory reason for the rise in costs and narrowing of bourg in 1975 and, as a joint earnings. For 1979, the balance venture of the Berne parent sheet is seen as rising by and the Luxembourg sub-another SwFr 800m-900m. No sidiary, a representative office restimates are possible yet as to in London 1977. These offices profits, but this year seems to meet important client needs, have got off to a good start, especially in Euromarket busiparticularly with the lifting of ness, and London facilities are

With regard to expansion operations are planned at this

CAPITAL MARKETS

#### Mandate near for Dubal credit

By Kathleen Bishtawi in Dubal and Francis Ghilés in London

mandate is expected to be awarded shortly for a \$220m commercial credit for Dubai Aluminium Company (Dubal).

This loan is part of a larger financial package, amounting to \$540m, the balance of which is made up of an Export Credits Guarantee Department loan Lloyds Bank partment loan. Lloyds Bank International is leading tha ECGD-backed loan. The funds are earmarked for the con-struction completion costs and start-up expenses of Dubai's aluminium smelter, the cost of which has risen above \$1bn. The initial cost of building the

plant was financed, in 1976, hy a loan arranged by Morgan Grenfell and managed by Lloyds Bank International, Wardley Middle East and Arab and Morgan Grenfell

owards the end of last year, Dubal approached Lloyds Bank which insisted that if it were to help arrange the commercial loan (Lloyds Bank has been in charge of the ECGD guaranteed loan all along) np-to-date information nn the project and certain financial data on Dubai would have to be provided. Dubal was in a hurry and decided to switch horses in midstream: it approached the Banque Arabe et Internationale d'Investissement, to which it awarded a tentative mandate. BAII sounded out the market: a split spread of I per cent for the first eight years rising to I per cent for the last two elicited little enthusiasm.

When BAII raised the terms to offer a spread of 1 per cent for eight years the response is understood to have been considerably better. BAII was unable to proceed further, however, because the bank's bolding company, Compagnie Arabe Internationale d'Investissement (CAII) beld in Bahrain decided at the beginning of February not to let BAH proceed with the husiness. The decision has caused

anger in the Lower Gult.
The shareholders of BAII include the National Bank of Bahrain, three Kuwaiti banks. the Abn Dbabi Investment Authority, 13 other Arab banks and 18 western financial institutions. Some obser vers see the explanation for the CAII decision in rivalry between Bahrain and Dubai. Bahrain's aluminium smelter has been operating for several years now, although its profitability is uncertain.

A BAII shareholder in Bahrain commented that "one smelter in the Gulf was enough." With the crisis in Iran casting uncertainty over the region the question of financial information about Gulf states and projects — often bard to obtain — is becoming more important. The viability of the aluminium project is not in doubt but those banks which financed the project at the start are in a better position to assess the scheme and its cost increase than a bank which has not been so closely

further question relates to the extent of Dubai'a in-debtedness, which has never been very clear because of the blurring of the distinc-tion between the ruler's and those of the government and leck of firm information on its oil and investment income. The Emirate's debt service ratio this year is estimated at about

per cent of its oil income and its government incurred debt including export credits is thought to be ebout \$2bn.

#### Hong Leong gives details of takeover

By H. F. Lee in Singer HONG LEONG FINANCE has announced that it now owns
11.36m shares in Singapore Finance, representing 94.69 per cent of Singapore Finance's

issued capital.

However, Rong Leong said that this figure is subject to the acceptances from the United Overseas Bank (UOB) being valid. UOB on Monday with-drew from the tussle with Hong Leong and decided to accept Hong Leong's cash alternative offer of \$\$3.60 per share for its Singapore Finance shares after its own offer failed to attract more than 50 per cent of Singa-

The bank bad received acceptances totalling only 4.47m shares, representing 37.29 per cent of Singapore Finance'a issued capital. UOB submitted its acceptances for its 4.47m shares to Hong Leong five minutes before Hong Leong's offer closed on Monday.

pore Finance's issued capital.

Hong Leong said that it is

order, Hong Leong, with more than 90 per cent of Singapore Finance's issued capital, can

# Yen bond breakthrough for Sears

BY RICHARD C. HANSON IN TOKYO

SEARS, ROEBUCK, the U.S. granted the approval by Finance Ministry to issue an unsecured debenture in Japan. This will be the first foreign corporate yen boad, and the first unsecured bond issued

by agreement between banks and securities bouses limit the approval list to only two— Toyota Motor Company and Matsushita Electric Industrial

panies has not yet been com-Sears itself will face un-

certain market conditions when it comes to the market with here since 1933.

Approval paves the way for \$100m) in bonds late next Japanese companies themselves month. The issue will probably to Issue bonds not secured by be for five to seven years assets, but rigid atandards set because demand for shorter maturity bonds is much greater than the long-term issues under pressure from heavy govern-

ment bond floats. Recent five-year Samurai bonds are trading et a premium

panies rated triple A have met Y40hm five-year bond was issued the rigid screening while by Norway last November with examination of European com- a conpon of 5.6 per cent at 99.75 per cent, but is presently trading at 100.70. Five-year bank debentures here are trading at a premium of 30 base points. An Australian 5.6 per cent issue of Y30bn at 99.75 per cent now has a yield to maturity

> of 80 base points. On the other hand, the longterm bonds heve seen yields climb to over 7.0 per cent. An Australian bond floated last February at 6.6 per cent coupon now carries a yield to maturity

Samurai bond by the Inter-American Development Bank, of Y10bn for 15 years, carried a coupon of 6.9 per cent, The Sears bond pricing will

almost coincide with a Canedian five-year bond issue scheduled for March 27. This will he something of a test between triple A rated government and corporate bonds Meanwhile, the Government

is expected to raise the present coupon on its long-term bonds from 6.1 per cent, under pressure from the market, sometime Scars Roebuck has raised it in Msrch or April. This will quarterly dividend to 32 cents facilitate the

BY L DANIEL IN TEL AVIV

KOOR - The industrial hold-

**Koor prepares for** 

downturn in exports

So far, 39 American com- on the secondary market. A of 7.15 per cent. The latest amounts of bonds it needs to sames rated triple A have met Y40bn five-year bond was issued Samurai bond by the Inter- during the next fiscal year which starts in April. The floating of unsecured

bonds by Japanese companies themselves will probably remain strictly limited. The Bankers Association is taking e rigid stand on who qualifies. Mnreover, an uosecured band

conflicts in principle with present agreements companies make with banks when receiving direct loans.

## **Recovery at LNC Industries**

inventories and related costs. tain the total payout at 14.5 drawn.

LNC INDUSTRIES, a leading The parts, accessories and manu- cents. The LNC directors also motor vehicle and spare parts facturing divisions continued to amounced that they were withdistributor, staged an impressive recovery in the December the economy was showing signs Queensland automotive parts disbalf-year, boosting earnings 77 of improvement end, while curper cent from A\$1.9m to rency fluctuations continued to
A\$3.38m (U.S.\$3.84m). The recause concern in reletion to imbad strongly resisted the hid and

through improved sales, lower paid e final of 8.5 cents to main-

sults contrast with 1977-78 when ported vehicles, given reason- as part of their defence profits for the year were halved, able trading conditions they announced s one for two free bringing the first setback in a expected satisfactory results for scrip issue. In withdrawing the decade for the group.

The group benefited from in
Interim dividend has been in
Interim dividend has been increased profitability in the motor creased from 6 cents e share to capital contravened and divisions in the latest balf. 6.5 cents. Last year the company effectively frustrated the offer which had therefore been with-

#### ing company of the Israel Federation of Labour— Federation of Labour— Increased its production by 8

per cent last year, and expects e further rise of 15 per cent this year. In money terms, 1978 sales reached I£14.9bn (\$850m), an increase of 7 to 8 per cent after allowing for inflation. The 1979 target is I£24bn, which, assuming that inflation again reaches 48 per cent, means a real rise

> Export estimates have bad to be revised downward by "several tens of millions of dollars" after the revolution in Iran, which was an excellent market for both civilian and military products. Nevertheless, the export forecast for 1979 is \$323m, compared with \$282m in the past year. Thus exports account for 31 per cent of nverall Koor sales. They represented 15 per cent of Israel's entire 1978 industris! exports (other than those of orlished diamonds).

i nf 1S per cent.

However, the profitability of exports is expected to fall from per cent of turnover, before tax, to 5 per cent. Like other sectors of Israeli industry. Koor country's largest private investis deeply concerned by what it ment company.

regards as the neglect of export industries by the current Government. that export markets can be

lost essily, and captured or recaptured only with great The reduction of credit available to industry, the increese in its cost, less Government participation in investments and the threat of tariff reductions a! vitiate against industry, alreadunder-capitalised and suffering from shortage of sufficient manpossible better utilisation of

equipment, Nevertheless, Koor intends to push ahead with expansion plens. Investments for 1979 arexpected to rise to I£ 1.5bn or nearly double last year's. About evoansion of metal plants. A similar amount into Tadirar Electronics, and I£ 300m to the concern's chemical plants (pesti pharmaceuticals and paint), about IS 240m bas been nlant which Koor intends to se' up in partnership with Clal, the

# **Profits rise at Union Carbide**

BY OUR SYDNEY CORRESPONDENT

ond-half enabled Union Carcent in group earnings from A\$5.27m to A\$6.59m (US\$7.5m) period, when earnings were with 21.4 cents in 1977, static et A\$2.5m. The directors said the

operating subsidiary earned continued to improve throughout higher profits than in the pre- 1978, production was at a high

STRONG recovery in the vious year end all major pro- level of efficiency and invensecond-half enabled Union Cardnot groups contributed to the bide Australia and New Zealand improved result. Sales rose 12.7 to shown an increase of 25 per per cent. from A\$127m to dnct groups contributed to the A\$143 (U.S.\$163m) and the directors have lifted the diviin the year to December 31, Results in the second-balf jumped share to 13 cents. The bigher 57 per cent, from A\$2.6m to payout is covered by earnings A\$4m after a subdued first of 26.8 cents a share compared The directors said that sales

The directors said that each of polyethylene resins and films

tories bed been established st levels which enabled e consistently reliable service to be provided to the group's cus-

Results from dry cells battery products improved, but com-petitive imports restricted recovery of all cost increases. Raw materials and labour costs continued to rise throughout the year, and the increases were not fully recovered because of coutinned strong competition.

By Our Sydney Correspondent

CLYDE INDUSTRIES has made

a A\$7.32m (U.S.\$8.3m) takeover

Jaques. Clyde has offered A\$2.00

a share casb on an ex-dividend

basis, or A\$2.045 a sbare cum

the recently announced Jaques

interim dividend. The offer

price compares with A\$1.50 on the market ahead of the

The Clyde directors said that they considered Jaques products

were complementary to the acti-

vities of some of Clyde's sub-sidiaries. If the bid succeeded,

Clyde expected that Jaques' product range and its markets could be expanded.

Clyde in

bid for

Jaques

### Israel extends ban on foreign currency credits

BY OUR TEL AVIY CORRESPONDENT

further tightened restrictions on bave risen at a far slower rate, foreign credits to Israeli com-panies and individuals. Companies resorted, there

After a 60-day ban imposed two weeks ago, which restrained Israeli companies from taking foreign currency loans, other than suppliers credits, for periods of np to 21 years, it imposed a total han yesterday with a veiw to halting the expansion of credit available within the economy.

Due to the extremely high liquidity ratio on deposits in local currency, the commercial banks had been unable to meet their customers—a

demands for overdraft facilities and other forms of credit by swollen substantially by high on the other band, hecause of living index.

THE BANK OF ISRAEL bas of inflation, current accounts

fore, to loans from foreign sources for conversion into Israeli pounds, thus breaching the monetary policy. Since foreign loans are available at interest rates far below those charged locally, which are npwards of 35 per cent, even the risk of having to repay the loans at a less favourable excharge rate did not deter borrowers.

Moreover, since the devaluation of the Israeli pound, which was floated in October 1977, bas been far slower than the rate of inflation, it has paid so far to put foreign loans into Israeli-

U.S. \$30,000,000

Floating Rate U.S. Dollar Negotiable Certificates of Deposits, due 24th August, 1981

THE SANWA BANK, LIMITED LONDON



In accordance with the provisions of the Certificates, notice is hereby given that for the six months interest period from 21st February, 1979 to 21st August, 1979, the Certificates will carry an Interest Rate of 111% per annum. The relevant Interest payment date will be 21st August, 1979

Merrill Lynch International Bank Limited Agent Bank

U.S. \$30,000,000

Floating Rate U.S. Dollar Negotiable Certificates of Deposit, due 23rd February, 1981

THE DAI-ICHI KANGYO BANK, LIMITED

LONDON



In accordance with the provisions of the Certificates, notice is hereby given that for the six months interest period from 21st February, 1979 to 21st August, 1979, the Certificates will carry an interest Rate of 111% per annum. The relevant interest payment date will be 21st August, 1979.

Merrill Lynch International Bank Limited Agent Bank

#### **Midland Bank Limited**

U.S. \$50,000,000 Floating Rate Capital Notes 1983

For the six months 21st February, 1979 to 21st August, 1979 the Notes will carry an interest rate of 11½ per cent. per annum. Listed on The London Stock Exchange.

Principal Paying Agent: European-American Bank & Trust Company, 10 Hanover Square, New York, NY 10005, USA Agent Bank: Morgan Guaranty Trust Company of New York, London



#### **BANCO NACIONAL** DO DESENVOLVIMENTO ECONÔMICO

U.S. \$50,000,000 MEDIUM TERM CREDIT FACILITY

MANAGED AND PROVIDED BY

CHASE MERCHANT BANKING GROUP **CREDIT LYONNAIS** MIDLAND BANK LIMITED THE SUMITOMO BANK, LIMITED

BANK FÜR GEMEINWIRTSCHAFT AKTIENGESELLSCHAFT BANK OF MONTREAL INTERNATIONAL LIMITED **GIRARD BANK** THE NIPPON CREDIT BANK, LTD.

THE CHASE MANHATTAN BANK, N.A.

year—on most foreign pur-chases of Swiss-franc securities.

Share price

sidering a lower payment. In the second half of November the share price declined by 11.5 per cent and the bank had to carry out support huying of its own shares. The shadow over its affairs was deepened by what proved to he groundless rumours of major losses in

shape. On Tuesday, after the reduction of dividend had been years earnings per share bave is confident that stockholders

grew by a gratifying 6.6 per cent to SwFr 12.93bn, the

the non-resident portfolio in to be extended next month. vestment restrictions.

Dissidents force

Irish Bank meeting BY OUR DUBLIN CORRESPONDENT LITTLE-KNOWN regulations in pany's overdraft at the time the a bank charter almost 200 years bank secured a debenture was

old bave enabled just nine shareholders to requisition an extraordinary general meeting of its competitors, is governed by Ireland's second-largest banking a charter of 1783 which allows group, Benk of Ireland.

The EGM, or extraordinary general court to give it its proper title under the charter. to requisition an extraordinary general meeting. Company law would require a much bigger

marks the latest stage in what bes become virtually a crusade against the Bank of Ireland by one of its sharebolders, Mr. Fergus Rowan. Mr. Rowan's complaint against the bank goes back to its appointment of a receiver for the family seed company, M. Rowan and Company, of wblcb he was a sbareholder and including the sale of a metal ings. A subsidiary of the bank, the Investment Bank of Ireland,

paid compensation of over Mr. Rowan contends that the Group, after its chairman, Mr. Michael Smurfitt, had claimed company was financially sound and that its troubles were in large measure due to the bank strike of 1970 and the cashing of over £14,000 in forged ebeques drewn on the company. He alleges that the bank, which was also the landlord of the company's Dublin City premises.

wanted the premises for itself. The receiver sold the leasehold to the bank at a public auction At one stage—in 1975—Mr. Rowan and four of his children occupied the premises, which are now a branch of the bank, and the bank had to obtain a state of the bank had to obtain a state of the bank had to obtain a points and questions about the method of appointment of

court order restraining him from such action.

The Bank of Ireland contends that its decision to appoint a representation on the Board of receiver was taken on commer-cial grounds end that the com-place on April 10.

#### Union Bank of Finland increases earnings BY LANCE KEYWORTH IN HELSINKI

THE UNION BANK of Finland ncreased both its net earnings totalled FM 11.8bn, an increase ind its share of the deposit narket in fiscal 1978. It pro-poses to maintain a dividend of 3 per cent on Ordinary shares

proper increased by about 15 pared with just over FM 48m in ter cent to FM 6.7bn, but if heque accounts are included.

The proposed dividend distrihe total increased by 18 per ent to FM S.1bn. The real inreases were 8 per cent and 11 er cent respectively.

The bank's loan portfolio of 7 per cent on 1977. This relatively small increase in lending business was due to deliberate restraint in credit hares.
The books were balanced at liquidity and to the weak liquidity and to the weak liquidity and to the weak liquidity of UOB's acceptances, were cept higher than the halance heet total for 1977. Deposits to FM 44.3m (\$11.35m), combined by about 15 parad with just over EM 42m in TA VIDE.

The proposed dividend distri-bution will amount to FM 42m.

council's ruling.

If UOB's acceptances are in One reason for the good result compulsorily acquire is the sharp decrease in the need for central bank financing, Singapore Companies Act.

**ASSETS** 

MEMBER OF BANKERS TRUST NEW YORK CORPORATION

CONSOLIDATED STATEMENT OF CONDITION, DECEMBER 31, 1978

Cash and non-interest-bearing deposits with banks . . . \$ 4,501,289,000 Interest-beering deposits with banks . . . . . . . . 3,541,598,000 Investment securities (market value: \$842,087,000) . . . 892,122,000 Trading account securities, net . . . . . . . . . . . . . Federal funds sold and securities purchased under 617,514,000 Loans, net of uneemed Income: \$53,766,000 . . . . . . 12,762,174,000 Less, allowence for loan losses . . . . . . . . . (120,574,000) 197,188,000 206,397,000 Dua from customars on acceptances . . . . . . . 1,045,561,000 253,987,000 97,320,000 \$24,446,978,000

LIABILITIES Deposits Acceptances outstanding . . . . . . . . . . . . . . 1,046,800,000 499,655,000 Accounts payabla and accrued liabilities . . . . . . . Long-term debt . . . . . . . . . . . . . . . . . . 33,695,000

RICHARD L. GELB

JAMES E. GIBBONS

PLATO MALOZEMOFF

WALTER A. MARTING

PAUL A. GORMAN

Total liabilities and stockholder's equity . . . . \$24,446,978,000

Chairman of the Board

**Bristol-Myera Company** 

of the Board,

and Chief Executive Officer,

Sackman-Gillland Corporation

Director and former Chairman

International Paper Company

National Urban League, Inc.

Chairman of the Board and Chief Executive Officer,

Newmont Mining Corporation

The Henna Mining Company

Chief Executive Officer, Intamational Minarals &

**Chemical Corporation** 

VERNON E. JORDAN, JR.
President

RICHARD A. LENON Chairman and

Chairman of the Executive Committee,

STOCKHOLDER'S Capital stock, \$10 par value **EQUITY** Authorizad, issued and outstanding: 

DIRECTORS ALFRED BRITTAIN III Chairman of the Board JOHN W. HANNON, JR. Presidant CARL M. MUELLER Vice Chairman

GEORGE B. BEITZEL Senior Vice President and Director, International Business Machines Corporation

LEE S. BICKMORE Chairman of the Executive Committee

HOWARD W. BLAUVELT Chairman of the Board and Chief Exacutive Officer, Continental Oil Company

Nabisco, Inc.

Chairman of the Board, Celanese Corporation JOSEPH F. CULLMAN, 3rd

JOHN W. BROOKS

Chairman of the Executive Committee Philip Morris Incorporated WILLIAM M. ELLINGHAUS

American Talephona and **Talegraph Company** 

Overseas Branches:

LONDON BIRMINGHAM MILAN **PARIS** TOKYO SEOUL SINGAPORE BAHRAIN NASSAU **PANAMA CITY** 

International Banking Subsidiaries:

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An International **Banking Network** of branches, representative offices. subsidiaries and affiliates in over 30 countries on 6 continents.

DONALD F. McCULLOUGH Chairman of the Board and Chief Executive Officer.

336,880,000

Collins & Aikman Corporation WILLIAM H. MOORE Former Chairman of the Board, Bankers Trust Company and Bankars Trust New York Corporation

CALVIN H. PLIMPTON, M.D. President, Downstate Medical Center, State University of New York

FRANCIS C. ROONEY, JR. Chairman of the Board and Chief Executive Officer, Meivilla Corporation

PATRICIA CARRY STEWART Vice President, The Edna McConneil Clark Foundation

WILLIAM P. TAVOULAREAS President, Director and Vice Chalmen of the Mobil Corporation

WALTER N. THAYER and President Whitney Communications Corporation

MEMGER OF THE FEDERAL DEPOSIT INSURANCE CORPORATION

Chairman and Chief Executive Officer American Can Company

This advertisement complies with the requirements of the Council of The Stock Exchange of the United Kingdom and the Republic of Ireland and does not constitute an invitation to subscribe for or purchase any Securities.

U.S. \$150,000,000

Sears Overseas Finance N.V.

(Incorporated with limited liability in the Netherlands Antilles)

9% Guaranteed Notes due February 15, 1982 leeued at 99.5% and Accrued Interest from February 15, 1979

Unconditionally Guaranteed as to Payment of Principal and Interest by

Sears, Roebuck and Co.

Underwritten and Managed by

Goldman Sachs International Corp.

Algemene Bank Nederland N.V. Commerzbank Aktiengesellschaft Nomura Europe N.V.

Banque Bruxelles Lambert S.A. Crédit Lyonnais Union Bank of Switzerland (Securities) Limited

Swiss Bank Corporation (Overseas) Limited Westdeutsche Landesbank Girozentrale

The Guaranteed Notes due February 15, 1982 of U.S. \$1,000 each, have been admitted to the Official List of The Stock Exchange, subject only to the issue of the Notes. Interest is payable on each Note annually on February 15, the first payment being made on February 15, 1980.

Particulars of the Notes and of the Company are available in the Extel Statistical Services and may be obtained during business hours on any weekday (Saturdays excepted) up to and including March 9, 1979 from the brokers to the issue:

Phillips & Drew

February 21, 1979

Lee House, London Wall, London EC2Y 5AP

CLIVE INVESTMENTS LIMITED I Royal Exchange Ave., London EC3V 3LU. Tel.: 01-283 1101. Index Guide as at February 20, 1979 (Base 100 oo 14.1.77) Clive Fixed Interest Income .....

ALLEN HARVEY & ROSS INVESTMENT MANAGEMENT LTD. 45 Cornhill, Londoo, EC3V 3PB. Tel.: 01-623 6314. Index Guide as at February 15, 1979 

INVEST IN 50.000 BETTER TOMORROWS! 50,000 people in the Uolted Kingdom suffer from progressively paralysing MULTIPLE SCLEROSIS—the cause and cure of which are still unknown—HELP US BRING THEM RELIEF

AND HOPE. We need your docation to enable us to continue our work for the CARE and WELFARE OF MULTIPLE SCLEROSIS sufferers and to continue our commitment to find the cause and cure of MULTIPLE SCLEROSIS through MEDICAL RESEARCH.



Please help—Send a donation today to: The Multiple Scierosis Society of G.B. and N.L. 4 Tachbrook Street London SW1 1SJ

#### **BUILDING SOCIETY INTEREST RATES**

GREENWICH

(01-858 8212)

281 Greenwich High Road,

Deposit Rate 6.45%, Share

Income Shares 8.10%.

Accounts 8.10%, Sub pn. Shares

9.25%. Interest paid quarterly

on shares/term shares. Monthly

Greenwich SE108NL

LONDON GOLDHAWK (01-995 8321)

15/17 Chiswick High Road. London W4 2NG

Sub'pn. Shares 9.75%. Deposit Rate 7.75%.

Share Accounts 8.50% . 3 mnths. notice 9.00%\*. Term Shares 9.50%\*, 3 yrs.:

9.25 % a. 2 yrs.; 9.00%, 1 yr. \* Includes 0.25% Centenary Bonus throughout 1979.

CURRENCIES, MONEY and GOLD

# Dollar and pound firm

The dollar traded quietly D-mark, although it lost ground within a fairly narrow range from the opening level of yesterday, with various items of DM 1.8595, to be fixed at news having little influence on DM 1.8578, compared with the foreign exchange market. DM 1.8543 on Monday. The Uncertainty over China's intentions in Vietnam had little or at the fixing. By the early afterno impact, although there may have been a slight improvement by the dollar on first reports level at DM 1.8580. that China was about to end the. conflict. News from Iran was also double edged, since any renewal of oll supplies may be eccompanied by further price

On Morgan Guaranty figures he dollar's trade-weighted depreciation narrowed to 8.2 per cent from 8.4 per cent on Friday. The dollar's movement against the Swiss frame was limited to a range of SwFr 16665 to SwFr 1.6790, despite reports thet Switzerland intends to tighten its monetary policy, which may produce bigher Swiss interest rates. The U.S. currency closed at SwFr 1.6715, compared with SwFr 1.6710 on Monday.

The D-mark also showed little change against the dollar, finishing nuchanged at DM 1.8555, while the dollar improved alightly in terms of the Japanese yen, to close at Y201.00, com-pared with Y200.50 previously. Sterling was probably helped by nervousness about the oil situation. It rose 15 points against the dollar to finish at \$2.0040-2.0050. The pound opened at \$2.0015-2.0025, and touched a high point of \$2,0060-2,0070 in the afternoon. Sterling's tradeweighted index, as calculated by

the Bank of England, rose to 63.7 from 63.6, after standing at the Bank of England, rose to franc, compared with SwFr 1.6770 at the opening, and SwFr 1.6710 at the opening, and SwFr 1.6710 at the previous London close.

FRANKFURT — The dollar TOKYO—Strong demand for improved slightly, but tem-FRANKFURT — The dollar TOKYO—Strong demand for improved slightly, but temporarily on the announcement by currency will remain firm in the China that it was withdrawing its troops from Vietnam. Earlier against the yen in moderate there had been no reaction to trading. It opened at Y200.70, and reports that the Chinese were improved to Y201.00 by hunch, trying to push deeper into Viethelped by buying from foreign namese territory. News that Iran banks. In the afternoon the U.S.

ZURICH—With the Iranian situation fairly quiet, and the China-Vietnam conflict having no serious impact on foreign ex-change trading, the dollar beld steady in quiet early trading. At midday the dollar was quoted at SwFr 1.6755 against the Swiss

intends to renew oil exports was currecey remained firm, closing of greater interest, beloing the at Y201.221, compared with dollar to remain firm against the Y200.371 oo Monday.

THE POUND SPOT FORWARD AGAINST &

.0010-2.0070 .3510-2.4005 .001-4.034 8.50-58.80 0.301-10.331	2.0040-2.0050 2.3950-2.3960 4.01-4.02 58.60-58.70	0.55-0.45c pm 2½-1½c pm	2,39 2,50 5,60	1.13-1.03c 1.40-1.30c	2.1
.001-4.031 8,50-58.80	4.01-4.02 58.60-58.70	0.55-0.45c pm 2½-1½c pm		1.40-1.30c	2.2
8,50-58.80	58.60-58.70	23-13c pm	5.60 ·		
				61-63c	6.1
0 201-10 271		30-20c pm	5.12		6.1
	10.31-10.32	1 ore pm-T ore dis	Dâr.	Par-20ors	-0.3
71-3.733	3,714-3.724	31-24 pt pm	8,46	21-73-6	8.8
		30-100c dis -		20-2000	-4.6
		20c pm-30c dis -			-14
684-1.689		. Illes pro-time die			0.5
20.10.23	10.21.10.22				4.5
57-8 80	8 574-8 581	4-3c nm		103-93-	47
75-8-78	p. 751-R 763				3.9
		3.40-3 30u pm			5.1
		27.17 000 000			8.3
	2 241.2 951	SE-1E UIV PUI			
					12.2
	4.60-95.60 38.30-138.60 ,684-1,889 0.20-10.23 ,57-8.60 ,75-8.78 90-410 7.20-27.30 ,331-3.37 um rata is i	1.60-95.60 95.00-95.50 38.30-138.60 138.50-138.60 138.50-138.60 138.50-138.60 138.50-138.60 138.50-138.60 138.50-138.60 138.50-138.50 10.21-10.22 10.21-10.22 10.21-10.22 10.21-10.22 10.21-10.22 10.21-10.22 10.21-10.22 10.21-10.22 10.21-10.22 10.21-10.22 10.21-10.22 10.21-10.21 10.21 10.2	8.60-95.60	1.60-95.60 96.00-95.50 30-100c dis -8.19 33.90-138.60 138.50-138.60 20c pm-30c dis -2.17 684-1.89 1,885;-1.686; 1lire pm-Tire dis per 0.20-10.23 10.21-10.22 42-24 ere pm 4.41 576-8.78 8.75;-8.76 4.30 34-14 ere pm 3.77 20-410 402;-404; 34-03.70 pm 7.49 27.20-27.30 27.30-27.25 22-12 ore pm 7.49 11.79 um rate is for convertible francs. Financis; franc	1.60-95.60 96.00-95.50 30-100c dis -8.19 20-200c 33.30-138.60 138.50-138.60 20c pm-30c dis -2.17 25-75c 684-1.689 1,685]-1,685] 1 lips pm-15re dis per 3-7-2/1re 0.20-10.23 10.21-10.22 42-24 ere pm 4.41 122-102-ore 5.7-8.60 8.67]-8.58] 4-3c pm 4.89 102-82-6 pm 5.75-8.78 8.75]-8.76] 33-12 ore pm 3.77 82-73-00-410 402]-404] 33-12 ore pm 7.49 62-62-62-62-62-62-62-62-62-62-62-62-62-6

#### THE DOLLAR SPOT AND FORWARD

•	at the uning, by the early after.							<u> </u>
,	noon the U.S. currency was			. 3				
t	almost unchanged from its fixing	7	THE DOL	LAR SP	OT AND	FOR	WARD	
-	level at DM 1.8580.							
٠.	AMSTERDAM-The dollar was		Day's			1	. Three	7.
3 -	fred at El 9 0000 servered by	Feb. 20	spread	Close	One month .	p.2.	- months	p.a.
3	fixed at Fl 2.0076, compared with	UK	2.0010-2.0070	2.0040-2.0050	0.45-0.35c pm	2.39	1.13-1.03c	2.16
7	FI 2.0050 on Monday.	Ireland	2.0010-2.0070	2.0040-2.0060	0.55-0.45c pm	2.50	1.40-1.30c	2.25
	PARIS — The dollar lost	Canadat		83.62-83.65	.20cdls10cpm	-0.15	0.10c-0.20c	
:	ground against the French franc	Nothind.		2,0025-2,0045	0.60-0.55c pm	3.74	2.08-2.03	4.26
-	after e day of moderate ectivity.	Boloium	29.25-29.33	29.26-29.28	7-60 pm .	2.89	221c-21c	2.97
	It closed at FFr 4.28, compared	Oenmark	5.1440-5.1570	e.1440-5.1465	0.50-1.0 ore die		2.75-3.25ore	
	with FFr 4.2890 in early trading.	W. Ger.	1,8540-1.8595	1,8550-1.8560 . 47,44-47.52	1.03-0.93pt pm 25735c dis	-7.58	3.20-3.10pf 50-110c	
i	with FFF 4.2000 In early fracing,	Portugal	47.44-47.65 69.14-69.23	69, 14-69, 19	Par-10c dia	-0.93	25-45c	-7.16 -2.06
•	and FFr 4.28 et the close on	Spain	841.35-842.00	841,40-841.80	1.0-1.30 like dis	-1.33	3.50-4.0Hrs	1 07
	Monday. The dollar declined	Horway	5.0920-5.1045	5.0950-5.1010	1.15-0.75 ore pm		3.25-2.85 or	2.02
•	wheo New York began trading	Franco	4.2780-4.2900	4,2810-4,2830	1.12-1.02e pm	3.75	2.98-2.93c	2.69 .
t	after the long holiday week-end	Sweden	. 4.3575-4.3760	4.3700-4.3710	0.75-0.55 Ore pm	2.20	2.50-2.39an	2.31
)	in the U.S., while the Swiss franc	Japan	200.25-201.00	200.90-201.00	1.26-1.15y pm	7:08	3.55-3.48y	
	appreciated on reports that	Austria	13.571-13.61	13.581-13.591 1.6695-1.6705	6.75-6.0 gro pm 1.33-1.26c pm	10.35	20-18gro 4.32-4.25g	5.66
ŀ	Switzerland is to tighten	Switz.	1.6695-1.6775		per Canadian S.			10.47
				1 0.01	per contains of			
,	monetary policy, which is		•		•		-	
,	expected to lead to higher			*				• .

monetary policy, which is expected to lead to higher interest rates.  MILAN—The dollar rose to LS42.05 against the lira at the fixing, from L840.45 oo Monday. February 10 rate fixing totalled \$16.7m, two-thirds of which were sold by the Bank U.S. 8	is to tighten .	SWIEZE	
LS42.05 against the lira at this fixing, from LS40.45 oo Monday. February 10 pollars traded officially at the fixing totalled \$16.7m, two-thirds of which were sold by the Bank U.S. 8 1212 of Italy. The D-mark was firm at Canadian S. 1114 previously. While etersing and the Dutch guilder were also slightly 0 mark 5 20 Danish Roose 5 20 Danish Roose 114.88 previously while etersing and the Dutch guilder were also slightly 0 mark 5 20 Danish Roose 114.06 previously while etersing and the Dutch guilder were also slightly 0 mark 5 20 Danish Roose 114.06 previously while etersing and the Dutch guilder were also slightly 0 mark 5 20 Danish Roose 114.06 previously while etersing and the Dutch guilder were also slightly 0 mark 5 20 Danish Roose 114.06 previously while etersing and the Dutch guilder were also slightly 0 mark 5 20 Danish Roose 114.06 previously while etersing and the Dutch guilder were also slightly 0 mark 5 20 Danish Roose 114.06 previously while etersing and the Dutch guilder were also slightly 0 mark 5 20 Danish Roose 114.06 previously while etersing and the Dutch guilder were also slightly 0 mark 5 20 Danish Roose 114.06 previously while etersing and the Dutch guilder were also slightly 0 mark 5 20 Danish Roose 114.06 previously while etersing and the Dutch guilder were also slightly 0 mark	o lead to higher Cl	expect	
of which were sold by the Bank. U.S. 8	inst the lira at the L840.45 oo Monday. Februar led officially at the	fixing, Dollars	
strooger. During the afternoon Guilder 812 71.384 8wiss franc. 196.46 4 125.10 4 173.	pre sold by the Bank U.S. 8	of white of Italy 1.453.18 previous Dutch strooge the dol ZURI situation China-V serious	

OTHER MARKETS						
Fob. 20	2.	\$		Note Rates		
Argentina Peso	8170-2190 1.7700-1.7750		Austria			
Australia Dollar- Brazil Gruzeiro	43.92.44.98	21.90-32.40	Belolum Denmark	10.84-10.34		
	72.331-74.097	35.075-36.956	Germany	8.65-3.75		
Hono Kong Dollar	149.4-159.4	74-79	Japan	608 408		
Luxembourg Fre.	58,60-58,70	29.24-29.29	Notherlands	10.15-10.25		
	1.8995-1.9045	0.9474-0.9496		139.50-144.58		
Saudi Arab. Riyei. Singapore Dollar.	9.59-6.78 4.3425-4.3625	2.1668-2.1768	Switzerland United States	2.0000-2.0100		

#### **EXCHANGE CROSS RATES**

Feb. 80	Pound Starling	U.S. Dollar	Deutschem'k	Japan'se Yon	FrenchFranc	Swiss France	Dutch Gulld'r	Italian Lira		Beigian Fran
Pound Starling U.S. Dollar	0.499	8.005 1.	e.78e 1.857	403.5 801.8	8.583 4.282	e.550 1.671	4,018 2,005	1686. 841;0	25 C95	58.65 29.26
Deutsche mark	0.269	0.538	1.	108.4	2.e06	0.900	1,079	452.9	0.844	18.76
Japanese Yon 1,000	2.478	4.968	9.88e	1000.	:1.27	B.302	0,950	4178.	5,937	145.4
French Franc 16	1.165	9.33e	4,837	470.1	10.	8.908	4.678	1064.	2.791	68.84
Swiss Franc	0.299	0.598	1.111	120.4	8,562		1.199	505.8	0.715	17.51
Outoh Guilder	0.249	0.499	- 0.927	100.e	8 158	0.834	8,382	419.0	0,507	14.61
Italian Lira 1,000	0.593	1 189	2,908	239.4	e 091	1.987		1000.	1.421	34.79
Canadian Dollar Bolgian Franc 180	0 417	.837 3.418	1.854 6.347	168.4 688.0	3.583 14.63	1.698 5.712	1,676	708.7 - 2874.	4.084	24.48 

#### **EURO-CURRENCY INTEREST RATES**

١	Feb. 20	Sterling	U.6. Dollar	Canadian Dollar	Dutch Gulldor		West German Mark	French Franc	Italian Lira	Asian 3	Јаренова Уол
	7 day's notice. Month Three months Zix months One year	134-135 134-135 134-156 156-134 154-136	101g-105g 1014-101g 103g-105g 1054-11 11 1114 11-1114	854-854 854-954 1059-11 1059-11 1059-11	758-758 832-634 632-634 632-634 532-634 534-7	18 - 18 - 18 - 18 - 18 - 18 - 18 - 18 -	312-558 512-558 558-334 578-4 418 414 458-412	51g-53g 56g-63g 7-714 75g-83g 91g-95g	7.10 10-11 121 <sub>2</sub> -151 <sub>2</sub> 13-14 151 <sub>2</sub> -141 <sub>2</sub> 153 <sub>4</sub> -143 <sub>4</sub>	1012-1012 1012-1058- 1054-1078 1112-1112 1112-1114	256-3 814-314 844-314 314-414 316-414
ľ											

The following nominal rates were quoted for London delier certificates of deposic occ ments 10.40-10.50 per cent; three years 10.50-10.70 per cent with 11.00-11.10 per cent; one year 10.55-11.05 per cent.

Long-term Eurodeliar deposits: two years 10%-10% per cent; three years 10%-10% per cent; lour years 10%-10% per cent; five years 10%-10% per cent; nominal closing rates. Short-term rates are cell for aterling, U.S. deliers and Canadian deliers; two-day cell for golders and Swiss transs. Asion rates ora closing rates in Singapore.

INTERNATIONAL MONEY MARKET.

# Paris call money rate cut

intervection rates unchanged. The central bank bought FFr 2.5bn of first category paper at an unchanged rate of 6i per

NEW YORK-Federal funds were quoted between \$15 per cent and 10% per cent, compared with around 10 per cent on Friday. Treasury bill rates moved slightly firmer, with 13-week bills at 9.35 per eeot com-pared with 9.28 per cent earlier; 28-week bills at 9.41 per cent against 9.36 per cent; and one-year bills at 9.38 per cent against 9.34 per cent.

FRANKFURT - Short-term interest rates were generally easier, with call mooey falling to 3.5-3.6 per cent from 3.6-3.7 per cent. Period rates also declined, with the exception of 12-month funds. One-month eased to 3.75-3.85 per cent from 2.5-3 per ce 3.8-3.9 per cent, and three-month to 4.05-4.15 per cent from 4.1-4.2 per cent. Six-month was

Bank of England Minimum

Lending Rate 14 per cent (slace February 8, 1979)

Day-to-day credit was in good supply once again in the London

money market yesterday, and

authorities sold a small amount of Treasury bills to the discount

The major factor was very large above target balances

LONDON MONEY RATES

bouses to absorb the surplus.

UK MONEY MARKET

Full credit supply

10-123

1512-154 1512-155 1316-155 1316-151 1212-1212 1212-1256 1316-1216

īe

Day-to-day money fell to 6; quoted at 4.24.3 per cent, comper eent from 7 per cent in Paris pared with 4.24.4 per cent, but increase was to 7; per cent from yesterday, while the Bank of 12-month money rose to 4.754.85 7; per cent on December 1. Fixed per cent from 4.64.7 per cent.

The previous from 7; per cent. The previous increase was to 7; per cent from 4.64.7 per cent. BRUSSELS—Deposit rates for the Belgian frane (commercial) were quoted as follows: one-month 71-77 per cent, threemonth 35-7; per cent, intermonth 85; per cent; and 12-month 85; per cent. Call money eased to 4.55 par cent from 5 per

AMSTERDAM - Call money was quoted at 718 per cent, com-pared with 718 per cent pre-viously. One-month was 7171 per cent, against 71-71 per cent; three-month 71-71 per cent com-pared with 71-71 per cent; and

per cent for two-month; and 111-111 per cent for three-month. SINGAPORE — Industrial and Commercial Bank has followed the general trend and raised its prime lending rate to 8 per cent

20d settlement of fairly large

Discount houses paid 121-121

gilt-edged sales.

Local Auth. negotiable bonds

have also been raised. The one-month deposit has gone up to 5; month deposit has gone up to 5‡ per cent from 4‡ per cent; three-month to 5.75 per cent from 5.5 per cent; six-month to 6.25 per cent; ninemonth to 6.5 per cent; ninemonth to 6.5 per cent; and 12-month to 6.5 per cent from 6.25 per cent. Savings account rates are increased to 5 per cent from 45 per cent.

HONG KONG — The money market was tight, with call money at 81 per cent, compared with 8 per cent on Monday, and over-night funds at \$1 per cent, com-

remained unchanged at 101-101 week, with 30-day maturities at per cent for call money; 111-111 12-141 per cent, 60-day at 121-142 per cent, 60-day at 121-142 per cent for two-month; 111-112 per cent, 60-day at 121-142 per cent, 60-day at 121-143 per cent, 60-day at 121-144 per cent per cent, compared with 111-131 per cent; 90-day at 121-15 per cent, compared with 111131 per cent; and 120-day at 121-15 per cent, compared with 12-14 per cent.

GOLD

# trading

Cold fell \$\frac{1}{2}\$ to close at \$\frac{247}{2}\$ 248 after a quite active day. It opened at \$\frac{248}{248}\$ and fell to \$\frac{248}{248}\$ and fell to \$\frac{248}{248}\$ and fell to improved to \$\frac{248}{248}\$ of the first fixing, and touched \$\frac{248}{248}\$ at lunch. Reports that Chinal intended to withdraw from Vietnam pushed the metal down sharply to \$\frac{245}{245}\$ 246\$, but it ruse slightly to \$\frac{247}{247}\$ of the after noon fixing.

In Paris the 124 kilo gold hardwas fixed at FFr 33,850 per kilo (\$245.50 per ounce) in the after. noon, compared with FFr 33.950 (\$246.28) in the morning, and FFr 33,900 (\$246.18) Monday

In Frankfurt the 12; kilo bar-was fixed at DM 14,865 per kilo-(\$248.96 per ounce), compared with DM 14,885 (\$249.99) og. Monday. February 20 February 12

EUROPEAN

_		0-1-1-1
T		Gold Bullion (fine ounce)
t supply		Cioss
brought forward by the banks, and this outweighed a moderate net take-up of Treasury bills, a moderate excess of revenue payments to the Exchequer over Government disbursements, a small rise in the note circulation.	balances were taken at 10-10; per cent.  In the interbank market overnight loans opened at 12; 12; per cent, and rose to 12; per cent, before easing to 12-12; per	(£142-144) (£143-145).

Sovereigns	(£351g-361g)	(£355, 365,
Gold C	oins, interna	tionally
Krugerrand,	<b>\$254-256</b>	\$255-257
New	(£125]-1273)	
Sovereigns	364-65 (232-33)	\$6414-8614 \$63214-5514
OH	8711g-731g	\$7112-7514
\$20 Eagles.	(2351g-351g)	8516-364
\$10 Eagles.	8174-179	\$174-179
	2120 TOR	FT0/5 106:

Old Sovereigns \$20 Eagles \$10 Eagles \$5 Eagles	8315-520	\$7112-7814 (E35-1-3614) \$316-320 \$174-179 \$120-125
		1.4
MONEY R	ATES	
NEW YOR		
Prime Rate.		17.5-TLM
Fed Funds		10-10-
Treasury Silk	13-wook)	9.35
Treasury Bill	(25-week)	9.41
GERMANY		
Discount Rate Overnight Ra		3,
AADIING ME	200	3.55

رافيان الحل

in table are buying rates for prime paper. Surjug rates for rour-mount pane and the selling rates for one-month Treasury bills 12's per cent; two-month 12's per cent; three months 12's per cent. Approximate selling rate for one-month bank billo 12's per cent; two-month 12's per cent, and three-month 12's per cent one-month trade billo 13's per cent; two-month 13's per cent, and three-month 12's per cent from Fabruary 1, 1973. Clearing Bank Deposit Rates (published by the Finance Houses Association) 12's per cent from Fabruary 1, 1973. Clearing Bank Deposit Rates for small suchs at seven days notice 10 per cent. Clearing Bank Rates for landing 13's per cent. Treasury Bills: Average tender rates of discount 12,7002 per Geot.

in the afternoon, and closing at 11 per cent. Rates in the table below are

per cent for secured call loans in the early part, and closing nominal in some cases.

cent at lunch, and to 10 per cent

13/4 12% 1210 11/4 

Local authority and finance houses seven days' notice, others seven days' fixed origings rates nominally three years 13's per cent; four years 13's per cent; five years 13's table are buying rates for prime paper. Suying rates for four-month bank bills 12's per cent.

# Slightly firmer Wall St. bias at mid-session

DM 2.50.

Iran starts producing oil, the country may also adopt favour-

able policies towards construc-tion projects. German machine

makers have substantial involve-ment in major Iranian projects.

Banks participated in the np-

trend, Bayerische Hypo Bank adding DM 2 and Bayerische Vereinsbank DM 3.90.

Modest gains were posted by Chemicals. BASF rose DM 1.40. The situation was similar in Steels, but Krapp-Hacitz lost DM 4 to DM 92 in very thin trading

trading. Electricals had Varta up DM 2

and Siemens DM 1.80 firmar, while Karstadt, in Stores,

Public Authority Bonds, how-

Woolworth 2014 20 Wyly 45g 45g Xerox 564g 664g Zepatz 143g 143g Zenith Radio 1514 137g U.S. Trans 42 20 1951; 1954; USTrans 42 7666 1726g 1783g U.S. 30-day bills 9.283g 8.303

Brinco 7,00
Calgery Power 404
Camino Minos 1412
Canada Cement 12
Canada NW Lan 10
Can.imp.8R.Com 2812
Can.ade Indust 217a
Can. Pacific Inv. 241a
Can. Pacific Inv. 241a
Can. Super Oil 2114
Can. Can. Can. 2314
Can. Can. 2314
Can. Can. 2314
Can. 2314

Chieftzin 3514
Cominco 3714
Cons. Bathurst 1956
Consumer Gas... 1810
Coscka Resource 6-2
Costain 1356

| Copeka Resource | 634 | 612 | 612 | 613 | 612 | 613 | 613 | 613 | 614 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615 | 615

Genstar ...... 38%

CANADA

Feb Feb. 18 16

ever, were up to 45 pfennigs lower. The Regulating Authori-ties bought a net DM 11.5m of

hardened DM 2.

INVESTMENT DOLLAR PREMIUM

\$2.50 to £1—891% (89%) Effective \$2.0045 46% (456%) TOCKS ON Wall Street were nixed but with a slight bias to

gher levels at mid-session esterday following further slow There was some bargain hunt-

ig taking place, while take-over Closing prices and market reports were not available for this edition.

indidales and energy-related sues continued to

The Dow Jooes Industrial verage recorded a small gain 4.99 at 829.00 at 1 pm, while is NYSE All Common Index med 9 cents to \$55.46 and rises d dechaing issues by a narrow argle. Trading volume came to -15m shares, against last cidnys 1 pm figure of 14,55m, re alock market was closed on anday for Washington's

whity to hold its ground despite merger offer from a company it I the recent had naws was did not name, but has rejected I the recent had news was recuraging, although the low tume indicated little conviction hind the buying.

Fob 16 .

**IEW YORK** 

ibott Labs A interneVenal lobe Oi) & Gas. Ina Lile & Ca...

lezheny Power lied Chemical...

ner. Stores ..... ner. Tei. & Tei..

ohor Hooking. heuser Susch. mco.

t'n Dick'nson 335g

| & Howell | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 1578 | 157

Pet A Orit R.... ockway Glass. Inswick..... syrus Erio.....

y investing .... reland Cilif ... eaCola ..... leate Palm .... lino Aikman ...

tumble Gas....
tumble Gas....
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TOTAL VOLUME IN CONTRACTS

Sears bardened 1 to \$201 in active trading after raising the quarterly dividend. Du Pont also

ncreased its dividend and gained to \$1324.

Washington Steel lost 1 to
\$364. Talley Industries is to appeal against a court order blocking its lead bank, Chemical Bank, from participating in financing Talley's bid for Washington

Steel. Talley put on & to \$111. Skaggs rose \$1 to \$27; on opening merger talks with American Stores, which retracted 1; to \$40. uniday. Tymshare shed 11 to \$361.
Analysis said the market's it has received a \$50 per share the proposal-Firestone Tire gained i to \$132

confliction reports about cal first-quarter profits.

THE AMERICAN SE Market

Corning Olass..... GPC Int'rnational Grano Nati......

540

Dana 30
Dart Industries 403
Decre 567
Del Monte 484

Stock

Johns Menville ... Johnson Johnson

K. Mar Corp K. Mar Corp Kaiser Alumini'm Kaiser Industries Kaiser Steel Kaneb Services...

Kernecott Kerr MoGee Kidde Walter Kimberiey Clark

Liggett Group ...
Litton Industries
Looki ed Alvertt
Lone Star Ind sta
Long Isl'nd Ltd ...
Louisians Land ...
Lubrizo ...
Lucky Stores ...
Macog R.H ...
Mits. Hanover ...
Mappo ...

Mesa Petroloum 38 37%
MGM 2256 2214
MGnn Ming & Mtg 5876 994
Mpbif Corph 71 7014
Monsanto 4814 473
Morgan J. P. 45 45 45 45 45 44 44
Murphy Oll 44 44
Nabaco 484 2334
Nalco Chemicale 36 2914
National Can 1874 1812

| Nat. Distillers | 125s | 1954 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 186 | 18

Kidde Walter 285s Kimberiey Clark Koppers 186s Kraft 771s Kroger Co. 371s Leaseway-Trans 281s Levi Straus 481s Libby Ow. Ford 947s

23 71

while Federal Reserve chairman of L63m shares (1.59m).
Miller suggested the Carter Season-All Industries Season-All Industries climbed Administration's estimates for 11 to \$131 even though Redland inflation and interest rates are Brazs has reduced its offer for slightly optimistic.

Brazs has reduced its offer for each Season-All share to \$14.75

UAL, depressed last week by from \$17.

prospects of higher fuel prices and possible shortages, recovered 1 to \$25. A block of 119,000 shares pany bas expressed interest in were traded at \$241.

Active Texaco added 1 at \$241. Exxon also 1 at \$51. Mohil 1 at \$711 and Atlantic Richfield 2 at \$602.

Active Texaco added 1 at \$51. Mohil 1 at \$711 and Atlantic Richfield 2 at \$602.

#### Canada

Most sectors gained ground in active early dealings yesterday, with the Torooto Composite Index rising 7.4 to 139.1 at 0000. Metals and Minerals were well favoured, advancing 17.0 to 1,263.8 on index, while Oils and Gas gained 7.5 to 2,008.9 Banks 2.19 to 311.28 and Utilities 0.92 to 201.65. Golds, in contrast, declared 2.0 to 1,500.4

declined 3.2 to 1,600.4.

Germany Drawing strength from reports suggesting that Iran would resume oil production and exports, ahare prices generally gained 20me ground yesterday. The Commerzhank index put on 4.3 to

Trading volume, however, was

Stock

Royal Dutoh....... 66

Seo ontainer.... 311s

Solitron
Southdown
Southern Cal. Ect.
Southern Co.
Southern Hat Res
Southern Pacific
Southern Railw'y

Sperry Hutch..... Sperry Rand...... Squibb

Starling Oruz .... Studebaker......

Union Pacific .... 5614 6554

Uniroyal .... 71s 67s
United Stands 95s 0-1s
US Bancorp .... 221z 2814
US Sancorp .... 221z 2814
US Stoel .... 24 237s
UtdTechnologies 365s
Ut Industries .... 323s
Virginia Elect ... 141s
Wagreen .... 265s
Wallace-Murray 2114 451z
Warner-Commn 45
Warner-Comm 45
Warner-Comm 45
Warner-Lambert 24
Waste-Man'ment 361s
Westen Bancort ... 24ss
Western H.Amer ... 251s
Western Union ... 177o 17
Westing'he Elect ... 173s 177o
Warripacuser ... 681s 23

Wavertizeuser.... 681g | 1712 | White Con. Ind ... 20 | William Co..... 185g | Wisconsin Elect... 261g |

Tesoro Petr'leum
Texas Castern....
Texas Eastern....
Texas Oi & Gas...
Texas Utilities...
Ilmos Inds
Ilmos Mirror...
Timken
Trane
Trane
Trane

continuing factional fighting in Value Index gained 0.09 to 163.24 on the low side, and dealers on Mooday. Mark Foreign Loans Iran were the major negatives, at 1 pm on a moderate business attributed the slow pace to tended easier. investor uncertainty about the Chine-Vietnam confrootation.

#### Paris

Shares of Motor and Machine Shares mostly improved in Manufacturers received a particularly ourong push from the calm trading ahead of the new reports coocerning Iran.

Daimler Benz rose DM 3, BMW
DM 2.30 and Volkswagen moothly Account, which starts today.

Brokers said the lowering of the call money rate to 6.5 per Among Machine Manufac-turers, Babcock climbed DM 4.50, KHD DM 4 and GHR DM 3. cent from 7 per cent had stimulated some buying, with institu-tional investors again giving Dealers said that investors active support The Bourse In-appeared to be assuming that if dustrials index rose 0.2 to 72.5. Gains predominated among Banks, Foods, Constructions, Mechanicals, Hotels, Stores, Electricals and Chemicals, Some hesitation, however, was observed among Portfolios, Ruhbers,

Metals and Oils. Merals and Uns.
Significantly bigher at the closing hell were Malsons Phenix, Bancaire, Eurofrance, Veuve Cliquot, Pechiney, Peugeot-Cliroen, Auxiliaire D'Entreprises, Citroen, Auxiliaire D'Entreprises,
Carrefour, Generale de Fonderle,
Borel, Arjomari, Ericsson,
Creusot-Loire, Elf-Aquitaine,
Lefebyre, UTA and Puk.
Leading the few deckning
issues were Credit du Nord, Cie du Nord, Ferodo, Kicher, Paris-France, Chiers and Francaise de

#### Tokyo

Stocks again closed lower for hoice on halance after late liquidations more than offset an early firming trend. The Nikkei-Dow Jones Average ahed \$.85 more to \$.116.11, while business wolume was a moderate 240m ahares, although exceeding Monday's level of 200m.

Oils, Steels and some Blue

Chips led the decline in the sbsence of fresh market factors, while recently selected Paper-Pulps, Chemicals and Electricals also closed lower. Arabian Oil lost Y90 to Y2,560. Fnji Photo Film Y8 to Y660.

Matsushita Electric Y8 to Y890. TDK Electronic Y20 to Y1,760 and Chinen Y9 to Y369 Shippings and selected Textiles

and Constructions, bowever, scored net gains, while Nonferrous Metals teoded to edge further ahead.

NOTES: Overseas prices shown below axclude \$ pramium, 2sigian dividends ere ofter withholding tax.

• DM 50 denom, unique otherwise stated, yields based on net dividends plas tax.

4 Pta 500 danom, unless otherwise stated. stated.

4 DKr 100 denom, unless otherwise stated.

5 SWF 500 denom, and Bearer shares unless otherwise stated. 1 Y50 demon, unless otherwise stated. 2 Price at time of ouspension. a Floring. 5 Schillingo.

#### Australia

After Mooday's strong performance. Mining issues could only make a mixed showing yesterday, with some dealers beginning to have doubts about the receot upsurge to metal prices on the London Metals Exchange, especially now that China appears to be backing away from the Vietnam border.

There were also doubts about gold ahead of the U.S. Treasury section, scheduled for yesterday but postponed because of inclement weather. Cold shares generally turned easier, taking their cue as usual from Central Norseman, which relinquished A\$1.00 to A\$23.00 on pro6t-taking after the previous day's advance of A\$2.50.

Despite s further rise copper prices, MIM managed to gain only 2 cents more at AS3.20 and Bongainville were just one cent firmer at A\$2.02. Mount Lyell, which is expected to announce much improved interim results today, were unchanged

Uraniums malnly reacted, with Peko-Waliseod, A\$5.76, shedding balf of Mooday's rise of 20 cents, and Queensland Mines also los-

ing 10 cents to A\$3.40. Coal stocks also declined affected by news that there had been a sharp fall in shipmeots to Japan. Oakhridge eased 3 cents to A\$1,55,

CRA receded 6 cents to A\$3.62, hut its diamond exploration associate, Ashton Mining, was actively traded and gained 5 cents more to ASI.10 on a turnof 160,000 sbare5

Melbourne. BHP, following the previous day's advance of 40 cents on the cheering interim report, came back to A\$10.45 but later rallied to A\$10.60, unaltered on the day. Business was reduced but still sizeable, with combined Melbourne and Sydney turnover reaching 267,000 shores.

Woodside strengthened on news about oil shows at its Goodwyn No. 5 well, which saved it from joining most other oils

c Cento, d Dividend after pending rights and/or scrip issue. O Per share. I Frenes. O Grosa div. %. A Assumed dividend after scrip and/or rights issue. After local toxee, m % tax free. I France Including United City. P Hom. & Shere split. s Div. and viald exclude special payment. I Indicated div. L'Unofficial trading. 9 Minority holders only, 9 Morger pending. A Asted. † 21d. § Traded. † Seller. z Assumed. xr Ex rights. xd Ex dividend. xc Ex serial issue. xa Ex ell. A Interim since increased.

#### Indices

NEW YORK -DOW JONES

	1			Feb. Feb.				8-79	SinceC	inceCompil th	
	Feb.	16	14 14	13	19	9	High	Low	High	Low	
• Industr'is	827,01	825,58	018.70	950.21	824.64	822.53	907,74 18:91	742.12 129.2)	(   1051,70   (11.1,13)	41.12 (2.7;32)	
H'ma 8'nds	85.18	85,28	85.21	85.20	85,69	85,58	90.86	84,69 (15-1/79)	-	ļ — .	
Transport	211.77	212,82	218,62	212.50	209,28	207.78	281_48	169.51 (9 1 78)	279,88	12.23	
Utilities	104,36	104,09	104.85	105.72	105,38	105,21		87.75 (20/12)	165,52 (20/4,69)	18,56  22/4:42	
Trading vol	21,110	22,520	27,380	28,520	20,650 i	i 24,356 I	_	-	_	l	
A Osy's hig	h 223.5	4 low	231.69		•			•			

Oay's high	1 223,5	4 low	231,69	•						
Ind. div, yield %		/ F	eb. a	Feb	Feb. 2 Jan. 26 Yea			ar ago	appro	
			5,05	5,25 5,00			5,94			
STANDARD	AHD P	OORS								
	Cab I	F.L			Eab	Fab	107	3-73	SinceG	mp:l't
	10	10	14	Fob.	12	9	HI9n	Low	Hian	Low
	T			-40 70	200 50	400 40		GE 52	1 131 74	2 5 2

1 1	- 1			
Indust'ls 118,00' 118,08 Composite 98,57 88,78	1		[12/8] ; [87:105.88) 8	6/51 1/11.15.33 (30% 3
	Fob. 14	Feb. 7	Jon, 31	Year 290 (арргох
nd. div. yleld 🖔	6,07	5,16	4,39	5,55
nd. P/E Ralle	2,98	8,80	9.05	B.57
one Cou Bond Vield	R 38	8 35	8.84	3.26

	FOD. 14	reb.	3011, 31	Legs 380 (abbut	
Ind. div. yleld %	6,07	5.16	4,39	5,55	
Ind. P/E Ralle	2,98	8,80	9.05	B.57	
Long Gov. Bond Yield	B,38	8,35	8.84	a.26	
N.Y.S.E. ALL GOMMOH		_		nd falls . 16 Feb. 15 Feb.	
Feb. Feb. Feb. Feb. 16 14 13	1378-79 ligh   Low		raded 1 7		

10,50   111:9   10,50   10,5									
MONTREAL		- \	I	F-1-	1078-73				
	Feb.	Feb. 16	Fab.	Feb. 14	High	Low			
Industriol Combined	232,78 235,29	282_45 285_10	232,08 235,05	252,22 235,17	252,78 (19,2,79) 257,05 (29)1/79)	152.90 (16.2) 170,62 (50) (			
TORONTO Composito	1585,7	1383,4	1381,5	1380,6	1885.7 (19/2/19)	998,2 (30 1)			

COMBINED	233,20	200,10	-00.00				
RONTO Composit	0 1585,7	1883,4	1881,5	1380,6	1885.7 [19	(2/19)	998,2 (30 1)
FANNESBURG Gold Industrial	(u) (u)	285.7 807.4	292.8 808.8	279.6 309.2	290,7 17 <i>6</i> 309,8 (18,		188.6 (2044) 194.8 (15/3)
Feb I	re 1978 ious i Hig	9 1878-8 h Low	_		Frb.	Pre-	This 9 This 9
tralia(¶1 585.61 58	S.47 5PS.4			ain	a) 98.05	Je)	100.27   93.55 14.0359   02.1.750
giem III 106.21 10	4.68 105.2	5 90,45	24	eden	(e) 553.53	361.90	14:00 0-2,74
mark(** 93.54 9	3.33 98.9		SW	it-arld	- 321.6 اردر	379.9	323.7 251.5

France (17) 72.5 | 7).6 | 83.0 | 47.6 France (†1) 72.5 (7).6 (83.0 47.6 (372)
Germany(1:) 795.7 (791.4 (85.3 8 768.4 1910) (17.5)
Holland (†1) 81.4 (E1.3 93.1 76.0 (117.5)
Hong Kong 821.46 509.92 707.70 833.4 (49) (117.5)
Izaly (111 73.52 72.90 82.26 (55.9)
Japan (a) 451.85 482.59 842.97 364.04 (3117.9 141)
Singapore(b) 355.12 555.26 414.50 258.0

Indices and base dates (ell bose values 100 expept HYSE All Common—50; Standards and Poors—10; and Toronto 300—1,000; the lest named based on 1975), t Excluding bonds, \$400 Industrials, 40 Utilinias, 40 Finance and 20 Transport, 4 Sydney All Ordinory, il Selgian SE 31/12/83, "Cogenhagen SE 1/1/73 tt Paris 20urse 1961, \$\$\frac{1}{2}\$ Commarzhank

ACMIL (85 cents) .... Acrow Australie .... AMATIL \$2.... Ampol Exploration. Ampol Petroleum... Assoc, Minerals ....

Assoc. Pulp Poper \$1 ....

Endeavour Resources... E.Z. Industries..... Gen. Proporty Trust..... Harmersloy.....

Jones (David)...

PARIS

BRAZIL

Acaetta, 0.26 -0.33 0,12 13.35
Bancodo Brazil, 1.40 -0.65 0.12 8.57
Banco Itau PN | 1.35 | 0.27 27.48
Belgo Miletra 0 P | 0.02 | 0.02 0.08 8.33
Lojas Amer 0. P. | 1.30 | 0.080 0.01 0.05
Patrobras PP | 1.50 | 0.080 0.01 0.05
Plratili OP | 1.52 | 0.080 0.13 8.12
Plratili OP | 1.52 | 0.080 0.13 8.12
ValaRioDoce PP | 1.71 | 0.04 0.21 12.28
ValaRioDoce PP | 1.11 | 0.04 0.17 15.51

Tumover Cr.84.3m. Volume 54.1m. Sourco: Rio do Janeiro SE.

Oec. 1953. §§ Amsterdam Industrial 1970. 98 Heng Seng Sonk 31.7. 64. Ennca Commerciato Italiana 1972. a Tokyo New SE 4.1/56. b Strain. Times 1955. e Closod, d Madrid SE 29/12/78. e Stockholm Industrial 1.1/58 f Swiss Sonk Corporation. u Unavail-FRIDAY'S ACTIVE STOCKS

Feb. 20 Price or Oiv. Yld

Occidental Pet. 375,800
Am. Home Prod. 230,900
Pfizer 222,900
Exxon 212,900
Helco Chemicol 210,400
Socing 194,800
Macmillan 174,900
Gardner-Oen 158,400
UAL 152,800
Ashland Oil 151,900

#### GERMANY +

	Feb. 20	OM.	_	1 %	2	Feb. 20	Yon	-	2	8
]				<u> </u>	Γ.	Asahi Glass	660	+5	14	
1	AEG	68	+0.9	-	-	Canon	614	+2	12	1.2
. !	Alliant Vorsich.	480		31,2	3,3	Casio	843	-1	25	1.5
. 1	BASF	328	+2.3	9B,12	2.2	Oni HipponPrint	369	<b>-B</b>	20	
1	BASF	134,1	+14	1B,76	7.0	Oai HipponPrint	537	+1	18	1.7
	Bayer C	236.2	+08	18,75	5.8	Fuji Photo	060	<u> </u> -8	15	1.1
	Bayer.Hypo	378		28,12		Hitschl	964	+2	19	2.5
	Bay-Vereinsok.	286.5	+3.9			Honda Motors	484	*******	18	1.a
	Commerzbank.	207.5	+1.0		6.5	House Food	985	-16	66	1.8
1	Conti Gummi		+0.3			C. Itoh	255	-3	13	2.5
	Daimior-Benz	306	i+3	28,12	4.2	No Yokado	1,290	-10	30	0.8
	Degussa		*******			Jacca	686	<b>;_8</b>	13	0.9
	Demag	164		17.18	10.4	JACCS	6,950	+20	_	
4	Deutsche Bank.	280.5	+0.7			Kansal Elect.Pw	1,180	+10	10	0.4
	Oreadner Bank.	222	+1	28,12		Komatau	358	+3	18	2.5
	Oyckarhoffzo't.	171	·	8,38	8.2	1				
	Gutehoffnung	222.6×	<b>.43.0</b>	18,26	4.0	Kubota	627	+8		6.6
- 1	Hapas Lloyd	101.0		14.08	7.0	Kyoto-Ceramic.		-10	55	0.4 1.5
	Harpener		+1	16.85	5.4	Mateuchita Ind.		B	80	
-	Hoechet		+0.5	18.76	7.0	Mitsubiehl Bank		j	10 13	1.6
	Noasch	48.1	+0.1	1 -	-	Mitsuolshi He Vy		Ti I	13	1.6
- 1	Uartes	1708	+1	8,66	3.2	Mitsubishi Corp.		Ľi i	13	2.4
	Kall und Salz	151.0	*******			Mitsul & Co		_2 !	20	1.2
	Karatadt	322	+2	25,44	3.5	Mitsukoshi		+eo		0.5
- 1	Karstadt	247.5	+0.5	18.78	3.8	Nippon Denso		+4		0.8
1	Klockner OM, 100	89	+0.5	1 -	_	Nippon Shinpan		-2		1.9
	ХНО	906	<b>+</b> 4	18,76	4.6	Pioneer		+40	48	1.1
1	Linde	09	<u>L</u> 4	-	-	Sanyo Elect	625	+10		2.0
. !	Linde	287 .	+1	25	4.4	Seklaui Protab.	784	-i	30	1.8
- 1	Lo'brau OM.100	1,515	_5	95	8.9	Shineldo				0.8
	Lufthansa	84.6		9.38	5.0	Sony	1 630			
1	M.A.N	810.5	+4.6	:12.70	4.5	Talsho Marine		4		2.3
- 1	Малпевталя	122	+1	17.10	0.6	Takeda Chem		_i	15	1.4
	Metaliges	272	+8	15,63	2.7	TDK		-90		0.8
	Munchener Rok	650	·	2B, 12	9.6			+2	10	
3	Neckermann	169.5		-	1-	Teilin		-1	11	
	Prause'9 0M100	152.2	+0.7	-	<b>!</b> —					3.8
	RheinWestElect	178	1+0.2	25	7.1	TokyoElect Pow TokyoSanyo	678	4	12	1.0
	Scharing		+0.7			Toray	100	+6	iõ	e.6
	518mene	264.5	+1.8			Toshiba Corp	151	-B	iŏ	3.2
	Sud Zucker	243	-1	17,90	3.7	Toyota Motor		·		1.2
	Thyssen A.G	108.8	+1.0	17.10	7.8				_	•
	Varia	178	<u></u>	15.18	5.0	Source Hikk	o Secu	mtieb, "	Tokyo	
	7 EDA		-0.5	0.58	5.0					
	Voreins&W'st8k	294	1+1	, 25, 12	4.8					
	Volkswagen	237	+2.6	35	1 6.5	BRUSSELS/LU	XEM6(	JURG		
									Div.	!
								i - '	DIA.	

RUSSELS/LU	XEM6OURG .
Feb. 20	Price + or Fr

434mmmm 444			Feb. 80	Price Frs.	+ or	Frs. Het	Yld.
AMSTERDAM	Price	ON Wide	Arbed	2,330	+30		4.5
Feb. 20	Prico + or	2 2	C.S.R. Coment.	1,185	+14	100	8.4
Ahold (FL30)	117.2 51.7 +0.5	18 4.7	E8E2	2,466	+20	177 455	7.2
Alg'm 8k(FI 100)	361.5 +1.6	A234 6.5	Exhrique Nat		-25	100	4.9
AMEY IFLIOL	91.5 +0.4	50   5.5	G. 8. Inno 8m	3,610	+60	150	5.8
Amrob'k (FI.20). Bijenkori	75.5 + 0.4 27.5 + 0.4	£25 } 6.5 26 0.3		1.570	+ 10		6.2
BokaW stmiFi20	125.1 1,4	.seo   6.6			T-2	170	8.0
Suhrm' Tetter'.	72.5 +0.5	26 7.1	Intercom.	1,890	+25		7.5
Elsevier (F)201 Ennia H.V. 8 rer	280 +3.1 143.5 + 0.5	27: 6 3.0	Victions IV-			290	4.0
EurComTet(FI10		34.5 5.0	La Royale Belgo Pan Holdings	2,360			5.2
Gistal Br'cad IFI	67.8 + 0.8		Petrofina	3.075	+20		4.5
Holneken (F125)	91.6 +0.1	14 3.9	Sec Gen Banque	3,400		204	8.0
Hoog'ns (FLEO)	51.8+0.4		Soc. Gen. Belgo	2,205		140 215	8.1
K.LM. (FI.100)	108.7 +1.9		Sofine	2,806		A2.10	
Int. MullariFI.20	44.9 +0.6	19 8.5	Traction Elect.	3,685		170	5.8
Nat. Ned InoFi10	109.6-0.2		UCB	1,300	+64	_	=-
NedGr'd8k/1.20 NedMid8k/1.70	209.0		Viello M'ntagne	780	+40	60	6.4
Oce 1F1.20	173 -2.5		A ICIIO M LIPOSTICI	1,000	1770		
OGEM (FL10),	22.5 + D.8			2.2			
Van Ommeren	166.8 + 0.8	• 1	SWITZERLAN	Dφ			
Pakhoed (Fl.20) Philips (Fl.10)	20.8	17 7.1		Price	1+01	Div.	Vid.
RinSchVenF1100	41.2 +2.4	1 -1-	Feb. 20	Fra.		2	2
Robeco (F1.50)	165	28.4 7.7					_
Rolinco (FI.60)	135.6 -0.5	19 7 5 7	Aluminium	1 450	+6	8	2.8
Royal Dutch F120	127.6 +0.7		SBC 'A'	1.810	+10	10	2.7
Slaven burg	351.1 + 0.1	30 8.0	CibaGelgyFr100	1,305	+15	22	1.7
Tokyo Pac Hides	137.5 +0.5	ED.30 0.5	Do. Part Cort	1,020	+6	22	2.2 5.1
Uniteyer (F1.20).	123.6;+0.3 43.6;+0.1		Credit Suisse,	2 595		16	3.6
Volker Stavin	91.5-0.6		Electrowatt	2.050	+6	10	2.4
West Utr Nypoki		55 3.7	Fischer(Gsorg)		+26	5	5.4

. 00,000	12,400	1		8.0					
Sec Gen Banque	3,400		804			Price	+ or	Div.	YId.
Soc. Gen. Belge	2,205		140	2.7	Feb. 80	Frs.	-	Frs.	26
Solvay	. 5,545		215				·\		
Scivay	. 2,806		A2.10		Rente 4	770	+ 10.5	410	06
Traction Elect.	3,885	+85	170	5.8	Atrique Coo'd't		+7.5	24 75	
UCB	. 1,300	+64	_	-	Air Liquide		+0.6	16.5	
Un Min. 12/20}	. 780	-4	60	8.4	Aguiteino		+11	26,25	4.7
Viello M'ntagne	1,865	+40		1 -	aic		.48	13.95	2.5
		•		_	Bouygues		-8	42	
					B.J.N. Gorvais		+2.5		
SWITZERLAN	T 0				Carretour-	1 760	+2.0		4.0
24411 TEKTAL	ID -					1,700	+64		
	-	1+or	I DA	204	C.G.E	260.0	+8.6	31.5	
Feb. 20		Tor			C.L.T. Alcatel	1,008	+23	70.20	D.A
P#0, 20	Fra.	_	×	ä	Cie. Bancaire		1+8	12	2.9
<del></del>				_	Club Mediter	468.0	+5.6	7.5	
		۱. د	ا ما		Cr'dit G'm.Fr'ce	136.7	+0.7	12	8,2
Aluminium	1,450	+6	8	2.8	Creusot Loire	_53.8	+1.5	<del>-</del>	_
BBC 'A'	11.810	+ 10	10	2.7	Dumez	346	+5	33,75	6.2
CibaGelgyFr100	1,305	+ 15	22	1.7	Fr. Petroles	158.6	-0.3	14,1:	10.1
Do. Part Cort	1,020	+6	22	2.2	Gen. Occid'nt'le	249	١	10.5	4.3
Do. Reg	705	,.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		5.1	Imstal		+1.7		
Do Reg	2,595		16	3.6	Jacques Borel	110 0	+1.2	<u>  </u>	
Electrowatt	2.050	+6	10	2.4	Jacques Dorei	115.0	+1.5		7.4
Fischer(Gsorg).	730	+26	5	5.4	Latarge		+7.1	18.//	
HoffmanPtCart	79.500	+ 500	1100	1.4	L'Oreal	710	+8_ i	15,88	
HOLLINGIT TOOLL	7.050	1 . 50	110	1.4	Legrand	1,615	+ 15	36,75	2.5
Do. (Small)	1,900	+00	110		Maisons Pheonx		+28	39.3	7.5
Interfood 8	4,440	+20	21	2.3	Michelin "8"	865	+10	57,5	3.9
Joimoli (Fr. 100)	1,500	+ 20	21	1.4	MoetHennessey	487	+14 !		2.5
Hestle IFr. 100	3.525	+60		2.4	Moulinex	128.7	-1.2	3	3.3
00. Rag	2,425	+16			Paribas	208	+5	10.15	4.8
Oerlikon B(F250	8,620	+25	15	1.4	Pechiney,	74.0	+3.7	7.5	
Pirellisip(F 100)	300		15	5.0	Pernod Ricard				2.6
Sandoz (F.250).	4 250			1.5	PaugeotCitroen	372			4.5
Do. Part Certs	529	+7	26	2.5	Poclain,				
Schind'rCtF100			12	3.2			-2	= 1	ایت
SCULLO LOUR TOD	555	[ <u></u>	14	4.7	Radio T'chnique	408	+2	37	6.2
Sulzor Ct(F.100)	555	+6			Redoute		5 j		6.7
Swissair (F.350)	840	-2	10 i	4.2	Rhona Poulanc.	103.0	+1.5	3	8.8
Sw.8k.Cp F100	409	+2	10	2.4	St. Gobain	136.4	-0.1:	14.55	10.7
Sw.Reins.IF250)	2,650	+200		1.8	6kis Rossignol	1.801	-14	53	2.1
Union Bank	6,510	+15	20	5.0		270.1	401	85 6	
Zurich Ins	19.850			1.7	Telemacaniqua	74R	+0.1	35.5	2.7
PRI 101) SLIG. 1	1	:	- 1		Thomson8randt	815	···········		
		<u> </u>					- <u>0</u> -	15, 15	
				1	Usinor	11.65	÷ 0.15•		<u> </u>
					i i				-
MILAN									
L. OF PERSON A		•							- 1
					PD 4 711				- 1

# 12 8.6 12 3.6 19 6.6 8 3.9

COPENHAGEN #

VIENNA

Fob. 20

Creditanstalt...

Perimposer\_

Price | or Div. Yid.

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11 7.7	MILAN	•	
12 5.6 13 8.8		rice + or	Oiv. Yld. Lire %
Div. Yld.	Fiat. 9. Oo. Priv. 2. Fincider 11 Italcementi. 2	4.210 +210 432.6 +9.5	150 5.5 150 7.2 600 8.4
10 2.9 9: 3.4 38 8.5 8: 4.0 10 4.0	Montedison Olivatti Priv Pirelli & Co 1. Pirelli 2pa	185.5 +1.6 055 -15 225 ÷11 885.5 +2.6 845 +37	130 7.2 80 0.0

# 12.68

Aust. 6

1	AGA AB (Kr. 4D)	136
I-D.01	Alfa LavaliKr.50	138 5
	ASEA(Kr.50)	76 -1 5
+0.02		
-0.03	AtlasCo co Kr25	
	Billerud	53 -1 -
*****	Bofors	138 +3 1/4
	Cardo	122  -2 5.75
1	Cellulose	248 -2 10
-0.05	Elec'lux'8')Kr58	108 5.25
-0.02	Ericason 8(Kr50	137 +1 6
-0.03		
	Esselte (Free)	305 -3   8
+0.02	Fagersta	121 -1 4
-0.02	Granges (Free!	60.5 - 0.6
-0.81	Handelsbanken	382 12.5
-0.02	Marabou	153 8
-0.09	Mo Och Comsio	85.5 + 0.5 -
+0.01	Sandvik '8'Kri00	256 5.75
+0.01	S.K.F. 8 Kr.50	
	Skand Enskilda.	
+0.02		
	Tandetik BiKr50	76 +0.5 5
+0.02	Uddoholm	67
40.02	Volvo (Kr 50)	82 6
30.0±		

1					
+0.06					
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1					
J-0.06		Price	1+or		
	Feb. 30	Krone	or —	8	۱ %
+0.03	_		-:		<u> </u>
-0.02	Sergen Bank	109.	51	2	8.
+0.05	Borregaard	74		_	-
70.45	Greditbank	113.	5 +1.0	11	8.4
-0.05	Kosmos	356	<b>—2.5</b>	60	6.0
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	Desired 12,5,15.1		V, 7 2.3	. •	
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DING SHIDINGS		

-0.10

#### Securities Rand U.S.\$0.68? (Discount of 41.75%)

February 20	Per cent	
Asiend	120	_
Zanco Eilbao	280	- 2
Zanco Central	293	_
Banco Exterior	254	_
8, Granoda (1,000)	734	_
Senco Hiapeno	236	_
8co. I. Cat. (1,000)	158	- <u>2</u>
Sco I. Mediterraneo	183	_
9anco Madrid	210	_
2. Santander (250)	301	+ 6
2co. Urourjo (1,000)	252	+ <u>6</u>
Sanco Vizcaye	226	_
29nco Zaragozono	230	
Rankunion	744	_
Oragados Espanola Zinc	190	- 0
Espanola Zinc	95	_
Fecsa (1,000)	57	+ 0. + 1
Gal. Pictiedos	45	+ 1
Go. Velszquoz (400)	165	+ 0
Hidrola	64	+ 0.
(berduero	65	+ 1.
Petroliber	100	4
Petroleos Sniace Sogefisa	122 305	40
Shiece		- O.
Sugensa	CAUK2	+ 0.
Telefonica	· 69.50	7. V

#### EUROPEAN OPTIONS EXCHANGE Vol. Last Vol. Last Stock

	MBL1888 }	AOP	1					
ABN AKZ AKZ ARS CSF CSF COS GOS HO IBM IBM KUM	F,320 F,36 F,53,60 F,360 F,380 F,380 F,140 F,150 F,37,50 S,300 F,100 F,100 F,100 F,100	4 15 11 20 10 23 3	8.80 2.30 1.20 0.50 4.70 5	25 1 11 2 -	3,60 2,50 1,30 19,80 ————————————————————————————————————	10 21 10 2 2 2 2 20 	4.50 3.10 2 25.80 5.10 2.80 1.30	F.581,50 F.51,70 F.76,60 F.365 F.138,40 F.32 \$30636 F.108,50
KLM KLM KLM NN HN HN PHI PHI PRI RD RD RD	F.710 F.120 F.140 F.110 F.120 F.250 F.26 F.30 F.30 F.320 F.125 F.130	21 26 2 2 1 2 13 104	5,50 1,50 2,70 	10 12 5 	8,40 4,90 1,20 	211 	7,30 2,50 2,50 1,70 1,70 10 5,70	F.85.80 F.578 F.127.50
8A BA OXY SLB SL8	\$701 \$801 \$861 \$ 901 \$100,	13 1 2 2 2	1212 638	6 -	41 <sub>2</sub>		Nov.	\$6778 \$187 <sub>9</sub> \$1001 <sub>8</sub>

A.B.N. Bank 131%	Hambros Bank 131%
Allied Irish Banks Ltd. 131%	Hill Samuel
Amro Bank 131%	C. Hoare & Co
American Express Bk. 131%	Julian S. Hodge 141%
A P Bank Ltd 13195	Hongkong & Shanghai 13195
Henry Ansbacher 13 %	Indostrial Bk. of Scot. 121%
Associates Cap. Corp 14 %	aer Ullmann 13
Banco de Bilbao 131%	Knowsley & Co. Ltd 141%
Bank of Credit & Cmce. 131%	Lloyds Bank 13195
Bank of Cyprus 131%	Loodon Mercantile 131%
Bank of N.S.W 131%	Edward Manson & Co. 141%
Banque Belge Ltd 14 %	Midland Bank 131%
Banque du Rhone et de la Tamise S.A 14 %	Samuel Mootagu 131%
la Tamise S.A 14 %	Morgao Grenfell 131%
Barclays Bank 134%	National Westminster 131%
Bremar Holdings Ltd. 141%	Norwich General Trust 134%
Brit. Bank of Mid. East 131%	P. S. Refson & Co 134%
Brown Shipley 131%	Rossminsler 131%
Canada Perm't Trust 131%	Royal Bk. Canada Tst. 1319
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Charterhouse Japhet 131% Choulartons 131%	Security Trust Co. Ltd. 14%
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Co-operative Bank *134%	Trustee Savings Bank 131%
Coriothian Securities 131%	Tweotleth Century Bk. 14:30
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Duncan Lawrie 134%	Whiteaway Laidlaw 14 %
The Cyprus Popular Bk. 131%	Williams & Glyn's 131%
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First Nat. Sees. Ltd 14 % Antony Gibbs	7-day deposets 11%, 1-month
FUST MAL Sees. Lid 14 %	deposits 113%.
Antony Gibbs 131% t	7-day deposits on ours of £10,000

#### BASE LENDING RATES

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irst Nat. Fin. Corp 14 % .	Committee.
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ntony Gibbs 131% t	7-day deposits on cume of £10,000 and under 11% up to £25,000
reybound Guaranty 132%	and under 11% up to £25,000
rindlavs Bank	111-% ond ever \$25,000 112-%.

# Few companies benefit from concessions on dividends

the cover concession, announced seem to be that the Treasury is The company and the Treasury by the Government last July, applying the rules more strin- clashed on the definition of to increase their dividends. A gently than the City anticipated cover. The Treasury says that further 50 have agreed a reference cover with the Treasury changing because of the recent and there are another 30 still discussing their position regarding a possible increase.

Sently man the City anticipated cover. The Treasury cover is profits after actual tax divided by the net dividend. But, the company argued, this settlements and higher interest rates. It is becoming apparent that

what the City and institutional investors initially saw as a significant easing of dividend controls, first imposed by the Heath Government in 1972, is more of a controlled flow through the slnice gate than a forward their figures to the

restricted to a maximum in-crease of 10 per cent unless a company can establish, to the satisfaction of the Treasury, that its dividend cover would increase beyond the highest level achieved since the current controls began.

The Treasury regards cover as the number of times that the

net dividend is covered by net earnings available for distribu-tion as published in the company's accounts. Previous un-distributed profits and transfers from reserves will not be taken into account and, where accounting policies bave changed, the cover for each relevant year is computed on a consistent basis (which usually means the accounting policies adopted to arrive at the latest year's

#### Overall growth

The changes took effect from August 1, 1978 and applied to companies with a year end from that date onwards.

In August stockbrokers Phillips and Drew pointed out that the relaxation might not be the concession it was originally thought. The firm reckoned that only a fifth of the 150 com-panies it followed closely would be able to benefit and even for them the average dividend increase would be only of the order of 20 per cent. This would add around 2 per cent to overall dividend growth.

The firm still argues that results to date support its August suggestion but, in official circles, the impression is that even fewer companies will get through the loophole. Mr. Denzil Davies, a Minister

of State at the Treasury, in a written reply to a question, said a month ago that only 15 companies had received Treasury consent to use the cover pro-visions to lift their dividends hetween August 1, and December 31. In January, a further

been able to take advantage of relaxation and the City's hopes fund managers, M and G Group.

All companies seeking to avail themselves of the benefit have to go back over their past years' figures, adjusting them where necessary to ensure accounting consistency, and Treasury. It vets the submissions crack in the dam wall.

In essence dividends are slill and in the process performs a reference figure and indicated quasi-auditing role. It writes to the companies either agreeing a reference cover or pointing out where the figures are in disagreement and indicating what it would accept as a base. The company then agrees or, as has bappened in a number of cases, it writes back supporting its original position and asks the Treasury to reconsider.

Marks and Spencer is a typical example. In October, when disclosing a 40 per cent jump in interim pre-tax profits its directors indicated that the dividend would be substantially increased in the current year. It was a unilateral disclosure as the company bad not, at that atage, consulted the Treasury.
When It did write to the Treasury, in late October, it supplied the necessary information on past cover, suggested a reference figure and indicated that it was likely to exceed the figure if the annual dividend was increased by only 10 per cent. The Treasury wrote back abortly after with counter pro-posals and the two sides are now considering their positions.

The problem stems from the way in which cover is calculated for M and S's 1972-73 financial year. The dividend controls were introduced on December 1, 1972, and on April 6, 1973, the basis of corporation tax was changed to the present imputa-tion system. M and S has tradi-tionally paid its interim each January and its final each July and would have straddled the tax change.

The company suggests that if 1972-73 financial year were eliminated from the calculation it would save a lot of dis-cussion. The official position apears to be that the relaxation was designed to assist companies that bave demonstrated consistent profit growth over the period. It follows that if profits have been growing con-sistently at rates in excess of the controlled dividend growth then 1972-73 cover figures would

ONLY 20 companies have so far number of beneficiaries of the tion of its 1972-73 cover is the

#### Tax charge

If a company pays little UK corporation tax it would incure tax advance corporation tax (ACT) were it to pay a high dividend. This notional extra ACT is not allowed for by the Treasury. M and G's problem is that in the high cover year of 1972-73 it had a low tax charge. But, in 1977-78 the tax figure is much higher. Using the Treasury's figuring, cover has improved much less between these two years than was apparent using M and G's method. method

There are other anomalies. Last week, MF1 Furniture Centres announced a big jump in interim profits which, had no controls been in force, would have enabled it to pay an increased interim dividend. The cover relaxation was no belp dividend in 1975 and Treasury interprets a missed dividend as implying infinite cover. MFI resorted to a rather cosmetic restructuring involving the split of its property interests from its day-to-day trading activities beneatb the umbrella of a new holding company. As a "new company, it has a further two years of dividend freedom.

In a number of cases agree-

ment between the Treasury and the company applying for the increase is quickly reached. Bass Charrington, for example, went to the Treasury before its final figure for 1977-78 had been established to agree a reference cover. When the consolidated result was known it went back and the increase was approved.

Granada's latest pre-tax profit was more than a third higher at £34m and it received per-mission to lift the dividend by 35 per cent tn 2.67p. Dowty Group recently lifted its interim dividend by 13 per cent to 2.5p and stated that the increase "recognises that some improvement over the 10 per cent limitation is likely to be

Blundell-Permoglaze cover calculation as it was introduced to strengthen company liquidity and therefore should be regarded as unavailable for distribution.

Another approach was that espoused by Mr. T. B. Morland, chairman of the Kalamazoo office stationery group who, at the annual general meeting last December called for the dividend concession to be based on a five-year average. "Many companies, like nurselves have an uneven performance for reasons totally outside their own control. We had an extremely good year In 1973 as a result of VAT being introduced. The dividend for 1973 was limited so cover was high. Had the calculation been based on the average of five years we could have paid a dividend 231 per cent higher instead of the permitted 10 per cent," he said.

But rules are rules and they are made to be applied. As a result the number of companies that will be able to use the cover concession to lift dividends is going to he less than the City expects.

Viewing dividend growth as a whole, however, it is obvious that the increase is outstripping the control figure. A Financial Times report on December 30 shows that overall dividend costs in that month were 17.1 per cent up on last year's comparable figure and this brought the average increase to 15.9 per cent for the final quarter and to 19.3 per cent for the year.

It is not a question of the controls being circumvented, As Mr. Davies' written reply shows, only 6,ā per cent of companies that increased dividends beyond the statutory limit in 1978 did so under the cover concessions. Some 112 companies were given permission to increase dividends by more than a tenth because they were recovering from an ther 95 companies were allowed to lift dividends to assist the raising of new money for investments.

In total some 242 companies were given permission to lift dividends beyond the 10 per cent limit, in 1978. The figure for excess dividends allowed was £217.9m and that was 1.75 per cent of total dividends paid in the United Kingdom in 1978.

cent limitation is likely to be possible."

Some companies, like the relatively small industrial paints group, Blundell-Permoglaze, have tried to increase their dividends via the cover relaxation by making special and announcement in order to agree relaxation by making special and cover contest correspondence. The conclusion from all this five companies announced then 1972-73 cover figures would be surpassed.

The reasons for the difference Another group that disagreed hetween the official view of the missions have been rejected. The reasons for the difference with the Treasury's Interpreta-

> DIRECTORS CHARLES M. BLISS

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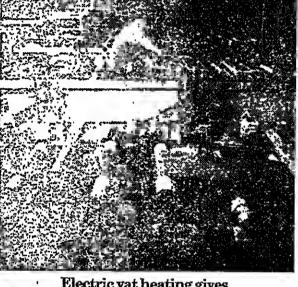
G. D. Searle & Co.

DONALD P. KELLY President, Chief Executive Officer

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President and Chief Executive Officer

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Electric vat heating gives Daly Condensers Limited, Weymouth, more economic



Industrial efficiency is electric

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make big cost

savings on their

small foundry by

going electric.

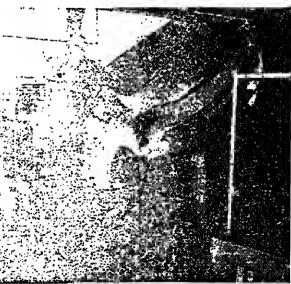
Blaw Knox Limited. · Rochester, speed paint drying with electric infra-red oven.



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Consolidated Statement of Concassers	
Cash and Due from Banks	December 31, 1978
Interest-Bearing Deposits at Banks	······\$1,242,187,188
Investment Securities:	694,086,713
U.S. Treasury Securities	
State and Municipal Countries	
State and Municipal Securities	
Other Securities	
Total Investment Securities	
Trading Account Securities  Federal Funds Sold and Securities Purchased	189,373,081
under Agreement to Resell	•
Loans	209,009,000
Less: Unearned income	2,689,098,865
Allowance for Possible Loan Losses	(6,876,171)
Diract Lease Financing	(24,905,952)
Bank Premises and Equipment	58,007,456
Customers' Acceptance Liability	90,268,939
Other Assets	112,601,041
Total Assets	139,027,517
LIABILITIES	••••• <del>••••••••••••••••••••••••••••••••</del>
Demand Deposits	\$1,532,317,083
Savings Deposits and Certificates	830,372,947
Other Time Deposits	1,071,619,569
Deposits in Foreign Offices Total Deposits	<u>1,105,217,151</u>
Total Deposits	4,539,526,750
Term Borrowings	
Acceptances Outstanding	1,015,629,106
Accrued Interest, Taxes and Other Expenses	
Other Liabilities	,,
Total Liabilities	<u>117,061,203</u>
Total Liabilities	5,866,134,270
STOCKHOLDER'S EQUITY	
Capital Stock (\$16 Par Value) Authorized, Issued ar	nd. · ·
Outstanding 3,137,815 shares	50,205,040
Sulpius	154,893,860
ou plus Ausing from Assumption of Convertible	•
Capital Notes by Parent Company	3,086,000
Unalvided Profits	:11E 404 000
otal Stockholder's Equity	000 040 000
Total Liabilities and Stockholder's Equity	323,316,203
	φο.109,45U,4/3
-	

As of December 31, 1978, standby letters of credit amounted to \$189,539,574.

Harris Trust and Savings Bank Wholly owned subsidiary of HARRIS BANKCORP, Inc. MAIN BANKING PREMISES: 111 West Monroe Street, Chicago, Illinois 60690 LONDON BRANCH: 48/54 Moorgate, London, EC2R 6EU, England Robert E. Vanden Bosch, Vica President and General Manager

Telephone 01-628-5261; Telex 884932 INTERNATIONAL OFFICES: Mexico City; Nassau; Paris; São Paulo; Singapore; Tokyo organized as N. W. Harris & Co., 1882 • MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION, FEDERAL RESERVE SYSTEM Harris Bank International Corporation: 345 Park Avenue, New York, N. Y. 10022 Harriscorp Leasing, Inc.: 111 West Monroe Street, Chicago, Illinois 60,690 Wholly owned subsidiaries of HARRIS TRUST AND SAVINGS BANK

The Electricity Council, England and Wales

Vietnam

By John Edwards, Commodities Editor

uncertainty

hits copper

COPPER PRICES finctuated

nervously on the London Metal Exchange yesterday mirroring differing reports and rumours on the situation

But the subsequent denial of the withdrawai, and rumours of the Chinese pushing towards Hanoi, brought the

market roaring np again.

At the close cash wirehars were still £6 lower compared

with the previous day at £995

a tonne, but values rose further in late kerb trading

virtually eliminaling all the

raised its domestic copper

price by 2 cents to a record

# with Britain

By Our Commodities Staff

MR. JOHN SILKIN, Minister of Agriculture, has rebutted recent attacks from the farming. food and dairy industries on New Zealand and its place in the British hutter market.

The British market was still central to New Zealand's recoomy, he said in an interriew published in a dairy trads pewsletter.

"No one should underestimate the strength of the ties that link us," he added. 'There is no question of these ties being broken and we could not contemplate damaging New Zealand's damaging economic welfare by denying

On the negotiations for access to the UK when the present quota agreement expires at the end of next year, the Minister said he retained an open mind on the form the new arrange-ment might take.

THE PRICE of barley has risen

strongly recently mainly on the strength of the widespread

that the Common Market Com-

mission is preparing to act against substitutes containing

cheap ingrediento like tapioca.

A leading broker said yester-day here was a "severe"

shortage on farms, claiming the

Ministry of Agriculture had

over-estimated last year's crop

and under estimated the amount

needed for mixing in animal

The Ministry, however, stood

by its last estimates of a 17.4m

year which included some 10m

tonnes of barley. Traders said

total barley supplies were nearer 9 to 9.5m tonnes.

pessimistic about the size of

the crop and more concerned

about the potential impact on

the use of substitute "cereal

replacer peliets" now coming

Into Britain from Europe.

her the markets she needs."

# Silkin backs | Prices dispute threatens cocoa pact talks

BY BRIJ KHINDARIA IN GENEVA

tional Cocoa Agreement have swaiting s further session. been seriously jeopardised because of wide differences between producers and con-

Producing countries making demands that sredescribed here as being completely out of touch with economic realities.

This week's predictions in London that the world cocoa surplus will be 42,000 tonnes in 1978-79 bas further weakened the position of producers here. Only three days remain before the scheduled end of the fourweek conference, but negotiators have yet to agree even on the mechanism to be used to stabilise price finctuations in the world cocoa market.

negotiations will bave to at least and selling from reserve stocks movements.

replacers.

notably harley.

the effects of the cold.

ments later in the year.

tonnes total grain crop for last to be still on the look-out for market, that they hold large

supplies to meet their commit-

John Cherrington, Agricul-ture Correspondent, writes: The

Some end-users, mainly com-

pounders, profess to be un-

the market of moves to hinder strably keen buyers at present squares with the accusation that

on manioc and other materials.

The EEC cereals management committee in Brussels is already two or three weeks has from simple human error. The functioning reducing the mone-tary compensatory amount of the committee in Brussels already amounted to some £6 per tonne, shippers took too trusting a

tary compensatory amount sub-sidles on shipments of these pelicis from Europe to Britain.

Certainly, demand for com-

and are, like humans, needing report.
more food than usual to counter The counter

PROSPECTS for a new Interna- be extended if not adjourned if consumers make concessions

The dispute-ridden cocoa conwelcome shot in the arm from the arrival here of three African ministers late last week, including Joseph Kyeremeh, commissioner for cocoa affairs of Ghana.

But Mr. Kyeremeb strongly criticised the existing cocos arrangement which expires on September 30 and said that the new arrangement should be a "guarantee for the future" backed by an adequate minimum price.

Sources close to the International Cocoa Council said pro- the concept used should be that ducers made a major concession of a reference price around to consumers to clear the way which fluctuations of up to 20 Delegates said it is too early for further compromise. They per cent would be allowed to forecast the conference's ont-indicated that they would accept before the Buffer stock manacome, but it is likely that the a flexible system of buying into ger acts to prevent further price

The UK is importing some what is bappening. Some believe put the harley barvest at around

40,000 to 50,000 tonnes a month that certain of the larga shlp- 10m tonnes.

of prepared animal feeds from pers bave bacome overacross the Channel and there committed for exports—a figure day is that in reality it was 9 m

half that sum the effect on the

This over-commitment could

The other scenario is that the

shippers, always sinister figures

stocks in store and they are

awalting a suitable moment to

quantity at 6 modest profit on

the home market recently. While he admitted later that he

The real probability is that

One shipper sold a large

exploit the situation.

behef among animal feed across the Channel and there committed for exports—a figure day is that in reality it was 9 makers and grain traders that is little doubt that these con- of im tonnes in aggregate has tonnes, which I believe to be supplies are running out and tain a high proportion of been quoted. Even if it were optimistic and would suggest that the effect on the street on the latter and the latter and the street on the stre

Cuts in the subsidies would market of shippers seeking increase demand for cereels, cover would be bullish in the

pound animal feeds has been have been caused by the very

higher than normal. Animals attractive restitutions being which would normally be out-offered. Subsidies up to £43.30

side now are being fed indoors. are quoted in this week's HGCA

Exports have been heavy to the trade, have decided to also, and shippers are believed manipulate or corner the

worried and are not demon- had made a mistake it bardly

prices. But others are switch- there has been collusion to

ing to cereal replacers based manipulate the market

on the prices issue.

But producers demanded that ference was to have received a the new accord should mainpound. This prompted a major consumer country delegate to remark that the proposal must have been made "in jest because it is so out of touch with reality."

> Several consumer countries feel that the issue of prices, whila important, is meaningful only in the context of the mechanism which must first be

The U.S. has suggested that

that sums are done on tha basis

Soviet timber

EXPORTLES, the Soviet state

selling organisation for forest

products, has sold just over

I.Im cubic metres of softwood against its first schedule which

was circulated to UK importers

on January 13. Prices in the

schedule were up by shout 12

The Russian sellers are now

likely to issue a second schedule

within the next two to three

weeks at prices which will pro-

bably show a further increase

of a few pounds a cubic metre

to reflect the general rise in the

It is thought that the nominal

quantity of the second schedule will be about 250,000 cu. m. and

slightly in excess of this

sales to UK

By a Correspondent

per cent on last year.

92 cents a pound. The early fatt in copper, and general nervousness that the reaction to the Chinese/ Victnam conflict may have EEC plans and supply fears boost barley been overdone brought declines in other metal

markets.
Standard grade easb tin lost £115 to £7,300 a tonne; alnminium. lead and zinc also closed lower.

Silver was easier in the morning, but then ralled in line with copper and news of India suspending export sales.

#### India bans silver exports By Our Commodities Editor

INDIA has hanned exports of silver, according to a Commerce Ministry announcement in New Deihi vesterday.

The han applies immediately hut some forms of silver said by the state trading corporation are believed to be exempt However, traders in New York-according in a Renter report-claimed that exports had only been temporarily suspended to take stock of the current market situation. Silver values have soared during recent weeks to record levels. Traditionally higher prices have encouraged increased exports by India, which holds large stocks of silver hoarded

over the centuries. An official han on exports is unlikely to that actual availabilities may be prevent private smuggling of sliver out of India if prices remain attractive enougn.

4.72, rast nil (4.72, rest nil). Millet: 77.74, rast nil (77.74, rast nil). Grain sorghum: 80 79, 3.04, 3.04, 3.65 (80.79, 3.04, 3.04, 3.65). Flour levies: Wheat or mixed wheat and rye flour: 131.88 (121.83). Rye Bour: 131.27 (131.27).

SOYABEAN MEAL

The market opened around unchanged

Sales: 57 (35) lots at 100 tonnes.

SUGAR :

**PORTUGAL** 

# New approach to farming credit

BY JIMMY BURNS IN LISBON

Recently the ministry of

Control

Aid and Development to Agri-culture and Fisheries (IFADAP)

which has been set up with an initial capital of 1bn escudos will aim at a more carefully con-

trolled and even-handed distri-

bution of credit than has hither-

to been the case. IFADAP's

Chairman, Sr. Gomez da Silva.

whose last post was that of adviser to the Government on

agricultural mailers related to

Portugal's future EEC member-

Whereas, before both the

Ministry of Agriculture and the

official credit institutions often

worked independently from

contradict each other's policies,

tbeir separate roles will now be

brought closer together under

Any collective or private farmer will only be officially

granted s losn once the project

in question has been carefully

screened by a team of financial

"Our main priority will be to

the auspices of IFADAP.

ship, likes to describe the up-

The Financial Institute for

the Alentejo.

An early report that the Chinese bad already with-drawn brought a fall in prices. THE BACKWARDNESS of created Soviet-style collectives finance) and projected invest-Portugal's agriculture has become a central theme in any analysis of its crisis-torn economy.

> Despite having more than 30 per cent of its working popula-tion on the land. Portugal for the past four years has had to import more than 50 per cent of its basic food needs.

Food constitutes the country's day's earlier losses.
The lafe neward trend was encouraged by news that Asarco, the U.S. producer, bas second major import after oil and is therefore 6 major item affecting Portugal's present trade deficit of \$2.4m. Portugal's problem is not that it is incapable of feeding itself-agricul-tural experts bere estimate that the Portuguese could become self-sufficient in food like the Greeks-but that its agrarian sector is badly organised and therefore unable to produce in the present circumstances.

> The recent crestion by the Government 'of an institution that will co-ordinate and plan domestic and international credit to the agrarian sector is designed to re-establish a messure of order in this vital but stitute as the "central bank of chaotic corner of the economy.

#### Curbs

With the adoption of each other and indeed tended to the stabilisation programme inspired by the international Monetary Fupd last year, credit in Portugal bas become an important instrument in the Government's economic policies. The unrestrained lending of previous years has been dramatically curbed, and instead a stringent selectivity is being increasingly imposed.

and technical experts at IFADAP, If and when approved This aspect has been particularly noticeable in the agrarian sector which both the IMF and decided oo and guaranteed by IFADAP. the Government have earmarked for priority aid. Until now, hnwmobilise credit towards proever, credit to the agrarian sector has been haphazard, given the political and social upheavais that followed the 1974 hitherto been the case." says Sr. revolution.

During the period of Comexample, the Government's "emergency credit" was used

in the Southern grain belt of ment in Portugal by foreign

As far as foreign figureing is agriculture here estimated that concerned, the institute has of the total domestic credit already had considerable impact made available, 6.5bn escudos at government level.

only 2bn went to the rest of IFADAP officials helped the the country, namely the private farms in the highly famile and farms in the highly fertile and onajor World Bank-backed potentially productive North of scheme for the Southern grain belt and for the Portuguese fishing fices. The project included a \$101m investment in 560 medium-sized private farms and 1,0nn small family farms in the Altentejo.

Eighty large farms in the socialised sector were also included in the scheme. IFADAP is currently involving itself even more directly in the negotiation of a second World Bank loan, 60 per rent of which will be covered by domestic eredit and the rest by foreign

The loan, which is experted to be fully operational by next major irrigation schemes. Foreign (nvestment in the

Portuguese agrarian sector is already being encouraged as a result of the Government's latest pledge to private farmers whose property was illegally seized by land-hungry peasants

#### Compensation

The official State Gazette last mouth published a decree which established the basis for compensation for land, livestock, machinery, and crops which were either taken or destroyed. A small group of the terms of the loan will be Italian. Austrian, and British farmers lost more than 2,000 acres of land following the

If all goes according to plan duction and not allow it to be IFADAP will begin to re-finance used as an instrument of any major medium and long-term one political movement as has projects by April, and should he in full charge of the Government's annual credits to agri-IFADAP hopes that its activi- culture by the summer. Such a munist domination in 1975, for ties in the future will include role will necessarily imply a example, the Government's not only the monitoring and considerable increase in rationalisation of domestic IFADAP's present capital, essentially as a political lastru- credit, but also the co-ordina- cither through direct government with most of the money tion of foreign loans (expected ment subsidies or through finding its way to the newly- mainly in the form of export external sources of financing.

#### BRITISH COMMODITY MARKETS

Feed companies were less harley trade is still very firm.

INPPEN THEE THEE £ E 3 Wirepars | 990-1 - 12.5 994.5-6.5 -- 6 | 7 months | 1007.5 -- 18 | 1019.5-3 | -- 4.6 | Settluth | 991 -- 12.5 | -- - - - - - - - - - | Csthodes 184\_S-5\_-8.75 687-8 13-h... 984\_S-5\_-8.75 687-8 -5.5 1004-5 -5.5 8ettl'nt.nt; 985.5 -9.5 1.s. Surr... 285.5 -9.5 87.86

Amargumeted Mstel Trading reported.

Amargumeted Mstel Trading reported. that in the morning cash wirebers

Three month Silver 396.4-399.6 I.G. Index Limited 01-351 3466. 29 Lamont Road, London SW10 0HS.

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**PUBLIC NOTICE** TRAVEL EAST SUSSEX COUNTY COUNCIL. £1m Bills issued today dae 23.5.79 a 1211,19 p.m. Total applications £21m Total outstanding £5m. MARGELLA, MAJORCA, ALGARYE, Top goll helidsys from 169 het. Inonta-holids or apple Sch-drive Ear. Edwards Tengoli, 91.008 4711 124 hours. Buchor, 6. A8TA IATA ATOL 6768.

THE HOKKAIDO TAKUSHOKU BANK LIMITED

> ("TAKUGIN") US \$20,000,000

NEGOTIABLE FLOATING RATE CERTIFICATES OF DEPOSIT MATURITY DATE FEBRUARY 19, 1982

In accordance with the provisions of the Certificates of Deposit notice is hereby given that for the initial six month Interest Period from February 20, 1979 to August 20, 1979, the Certificates will carry an Interest Rate of 115% per annum.

FIRST CHICAGO LIMITED

LEAD 0 meint 1 p.m. 1+ nr Caofficus 1 2 Section 1 516.5 9.25 517.8 7 3 mentins 516.5 9.25 496.5 -7.75 Sett ment 516.5 9.25 42.4 .... 

Morning: Cash £523, 22, 21, 17, 18.5, 18, three menths £500, 499, 500, 499, 98, 92, 21, 92, 92.5, 93, 32.5, 93. Kerb: Three menths £493, 91.5, 90.5. Afternoon: Cash £517, three months £494, 93.5, 93, 95, 58. Kerb: Three months £494, 96.5, 96, 96.5.

ZINC—Down in line with capper and lead. Ferward matel apaned at £418 and quickly rese to £425 an apaculative interest before easing back on profitisking and leak of fresh buying interest for close at £418, alter being sa low as £414.5. Turnovar 8,450 tonnes.

Moming: Cseh £401.5, 1, three months £420, 16, 19, 16, 16.5, 16, 17, 16.5, 17, 16, 15. Kerb: Three months £415, 17.5, 17. Kerb: Three months £417, 16.5, 17, Kerb: Three months £417, 17, Kerb: 2415. Attendon:
17.5. 17. Kerb: Three months £417.
16.5. 17. 19.

ALUMINIUM—Easier ster porsistent trade hedge celling had quietened the market. These effectings actuahed the ovents in Vretnem. Forward metal traded at £747-£750 in line with copper during the morning but then left away to £738, railied to £745. Sipped to £741 and closed on the Kerb et £745. Tumover 4,625 tennes.

Alumin to Concess.

Moming: Three months £742, 44, 45, 43, 42, 43, 42, 41, 42, 40, 39, 38, 39, 40. Alternoon: Three months £745, 46, 47, 46, 45, 44, 43, 42. Kerb: Three months £743, 45, 46, 45, 46. ents per pound. ISM per picul.
previous onofficial close.

511L VEAL

51ivar was fixed 0 10p higher for apot delivery in the London bullion market yesterday, st 383.7p. U.5. cent equivsients of the fixing levsis were: seet 768.7c, down 0 3c; three-month 768.4c, down 0.6e; siz-month 801.9c, down 1.1c; and 12-month 864.c., up 0.2c. The mets) opened ot 383-385p (767-771s) and closed at 384-386p (770-774c).

395.3p +0.1 384.6p -0.4 395.3p +0.1 396.55p -0.5 - ....

LME—Tumover 196 (139) lots of 10,000 ezs. Morning: Three montns 398, 7.8, 93, 2.5, 93, 3.5, 94. Kerb: Three months 395, 4.5, 4.7. Alternoon: Three months 394, 4.5, 95, 5.2, 5.5, 96, 5.2, 96, 5.5, 6.3, 6.5, 96, 6.2, 61, 96, 61, 62, Kerb: Three months 396 7 87, 89, 7.2, 7.5, 98. 6.9, 7.2, 75, 98.

LIVERPOOL COTTON—Spot and ship-mont sales in Liverpool amounted to 224 tennes, bringing the total for the week so far to 309 tennes. A free offtake developed, with users still im-pressed by the etrength of values. Most of the damand was in American-typo vorieties, chiefly Turkish and Ruseren growths.

LOUDA

Lower lutures exced throughout the day due to Commission Heuse Inquido than hybrid for seeding) 73.48, test nil). Maize (erhor than hybrid for seeding) 73.48, test nil) ton coupled with trade selling to close 550 lower than (ast night's levels, reports Gill and Ouffus.

Yesterday's 4. Yorientay's + or Business Close - Unite

3larch ........ 1754.0-58.0 -51.0 1795.0-28.0

Selos: 4.377 (2.003) tots at 10 tonnes. International... Cocea Dryanisation (U.S. cents par pound): Unavoilable dua to U.S. holiday. COFFEE

Ouring s quiet moming session Rebusta caffee lutures moved shead gredusty on possible producsi-linked support from one particulor source coupled with small acsis chart buying, mported Oraxel, Surnham Lambert, The afternean was very disappointing but values held steady throughout to record gains at between 18.5 and 119.5 an rice day.

Yesteniay's + or Business
Done ⊈ )ier tiense'

Seles: 3,959, 12,2011 lots of Simmes. 1CD Indicator prices for Fab. 16 (U.5. conta per pound): Unavailable due to U.5. holiday.

RUBBER STEADIER closing on the London

Jy-Sept., 75.85-75.80 75.45-76.55 76.70-72.95 Oct-Dec: 75.96-75.80 73.45-75.50 75.90-74.95 5sles: 796 (773) lots of 15 tonnes and 3 (2) et S tonnes. Physical closing prices (buyers) wem: 5pot 61.5p (62.0); March 61p (80.5); April 61.75p (61.25). GRAINS

IMPORTED—Wheat: CWRS No. 1. 13<sup>1</sup>per cant, unquoted. U.5. Oark
Northom 5pring No. 2. 14 por cent
Merch 93.50, mid-March, mid-April
92.00, transhippoint East Coast. U.S.
Misrd Winter, 13<sup>1</sup>per cent, late-Fob /
oarly-March 90.25, transhipment East
Coast. EEC unquored. Maits: U.5./
French March 109.00, April 110.75,
transhipment Eest Coast. South Aircan
White April 75.50, Glosqow. South
Aircan Yellow April 70.50, Glosgow.
9arley: English Ised Iob April-June
98.00 East Coast.

M'oth

Mar. 93.60 -0.49 97.05 May 57.40 -0.45 93.80 Sept. 61.80 -0.50 85.60 Nov. 95.30 -0.35 86.15 Jso. 09.10 -0.20 93.00 

JUTE—Quial. Fob.-Mer: c and I Oundee—6WC £254. BWO £238, 6TC £257, 8TO £244. c and I Anlwerp— 8W8 \$554. BWC \$508. BWO \$478, 8TB \$559. 6TC \$519. 6TO \$498 Jute goods. Nominat Mar.-April c and ( Cundee—40 in 10 og £11.65, 7.5 oc. [B.97. 8 Twile £30.66. WOOL FUTURES WOOL FUTURES

6YINEY GREASY—Close (in order buysr, sailer, buysnoss, sailer), Misron Contract: March 367.0, 367.5, 369.0-368.0, 91: May 380.0, 380.5, 380.2-377.0, 79: July 390.0, 390.5, 380.5-386.5, 78: Oct. 386.5, 387.5, 388.5-386.5, 168. nec. 386.2, 387.0, 380.5-386.5, 168. nec. 386.2, 387.0, 380.5-386.5, 168. nec. 380.2, 392.0, 390.5-388.0, 45; May 392.0, 392.5, 392.0-390.0, 37; July 393.5, 394.0, 393.0-391.0, 24. Salect 606.

LONDON GREASY—Close (in order buyer, aslier): March 220.0, 229.0; May 228.0, 239.0, July 2731.0, 237.0; Oct. 230.0, 260.0, March 225.0, 244.0; May 236.6, 244.0; July 237.0, 247.0, 5ck. 171. NEW ZEALANII CRISSBREINS—Close in order buyer, solleri, March 184.0, 190.0, 193.0, 193.0, July 185.2, 195.0; Oct. 194.0, 198.0, Oct. 140.5, 195.0; July 193.0, 139.0, May 1950.0, 193.0, July 185.2, 195.0, March 191.0, 197.0; May 192.0, 195.0, July 193.0, 139.0, May 192.0, 195.0, July 193.0, 139.0, Solas 4.

JUTE

HGCA cisiculations] re expected to remain unchanged.

EEC IMPORT LEVIES—The following levias and premiums are effective for 195.0; Oct 194.0, 198.0, Onc. 191.0; Feb. 21 in order of current levy plus March, April and May promiums (with provious in brackats) all in units of account per tenns Common wheat 85 89, nil, nil, 5, 23, 1, nil, nil, 5, 23, 1, cities of 195.0; Nilst 195.0; Nilst 195.0; Nilst 195.0; July 195.0; Nilst 195.0; July 195.0; July 195.0; Nilst 195.0; July 195.0; Nilst 195.0; July 195.0; July 195.0; Nilst 195.0; July 195.0; July 195.0; Nilst 195.0; Nilst 195.0; July 195.0; July 195.0; Nilst 195.0; Nilst 195.0; Nilst 195.0; July 195.0; Nilst 195.0;

PRICE CHANGES in tennes unlass Otherwise stated.

Metals fuminium ..... £710 ...... £710 Froe Mkt:es\'81,475/95 ..... .'81,240/36

Cash w'bar., £995 5 mth ......£1,812. and during a quiet trading session prices cased slightly, reported T. G. Reddick. Commission House support in the lower levels and lack of selling interest encouraged (resh briging and the market closed near highs of the Yesterday + r Business Close - Dame Pehruary 154.00

April 129.40-28.8 - 0.4 28.50-28.90

June 154.60-50.9 - 0.95 51.00-50.00

August 151.50-51.9 + 0.1 52.99.00.00

October 155.18-50.8 - 0.55 50.56

Pekruary 125.00-28.0 - 0.05 28.50-28.49

Pehruary 125.00-51.8 - 0.50

Tin cash .......... 17,300 3 mths....... 17,207.5 Tungsten...... 5127,94 -115.0 £6.775 -66.0 £6,722.5 -6.3 £144.29 Oils Coconut (Phili. \$990

LONDON OALLY PRICE (raw augar):
F105.00 (F103.00) is tonns at ter Feb.
Mirch shipment. White sugar dailyprice was fixed at £109.50 (F107.50).
First trades were around previous
closing levels but prices then declined
some SO points during the opening call.
However, keen buying was uncovered at
the lows and 0 sherp rally of around
100 points occurred before the merker
ogain (ell back alter reports that
Chinase Jorces had withdrawn from
Viginem. Thereafter, prices were conlined to a narrow range in active trad-..... 5900 

No. 1 Red Spa. : £87.65 No.2 Hard Wint. £90.26, .....£93.5 Eng. Milling 1., £96.5s Other
Cocca ship't ... £1,735 ... 55.0 £1,681
Future May. £1,776 5 ... 56.0 £1,830.5
Coffeo F'r May £1,342 +15.5 £1,367.5
Cotton 'A' index 776.65r -0.55'75.75c
Rubbar kilo +... 61.59 ... -0.5 55.65p
Sugar Rawi ... £105 +9.0 £93
Wooltp's 64a kil £74p .........668p Other

**MEAT/VEGETABLES** 

\* Nominol. † New Crop. ‡ Unquotad. p April-May r Feb. Msrch. s Msrch. v March-April. x Psr ton. z Indicatar. § Buyar. 

MEAT/VEGETABLES

SMITHFIELD—Ponce psr pound. Best:
Scorch killed sides 54.0 to 59.0. Ers hindguarters 62.0 to 86.0. Iorequarters 43.0 to 47.0. Veel: English late 70.0 to 78.0. Outch hinds and ande 90.0 to 98.0. Lamb: English 56.0 to 64.0. Medium 56.0 to 62.0. Hosey 52.0 to 60.0. Scorch Medium 56.0 to 64.0. Hisavy 52.0 to 60.0. Timportod Frozen NZ PL Naw 580.50 nd 48.5. Pork: English, under 100 lbs 36.5 to 45.0. 100-120 lbs 35.0 to 49.0. PM Now Sesson 49.0 to 48.5. Pork: English, under 100 lbs 36.5 to 45.0. 100-120 lbs 35.0 to 43.5. 120.160 lbs 34.0 to 42.0.

MEAT COMMISCION—Average (statick prices at representative marksts on Fabruary 20. Ga canls 73.21p psr kg is (4-0.82). UK cheep 152.9p per kg. is. (4-0.82). UK cheep 152.9p per kg. is. (4-0.82). UK cheep 152.9p per kg. is. (4-0.82). England and Walos: Cattle numbers up 12.2 par cent. average price 73.44p (+1.6. Shasp numbors up 9.2 per cent, average price 72.65n (+0.18). Shoep numbers down 1.0.8 per cent, average price 72.65n (+0.18). Shoep numbers down 10.8 per cent, average price 72.65n (+0.18). Shoep numbers down 10.8 per cent, average price 72.65n (+0.18). Shoep numbers down 10.8 per cent, average price 72.65n (+0.18). Shoep numbers down 10.8 per cent, average price 72.65n (+0.18). Shoep numbers down 10.8 per cent, average price 72.65n (+0.18). Shoep numbers down 10.8 per cent, average price 72.65n (+0.18). Shoep numbers down 10.8 per cent, average price 72.65n (+0.18). Shoep numbers down 10.8 per cent, average price 72.65n (+0.18). Shoep numbers down 10.8 per cent, average price 72.65n (+0.18). Shoep numbers down 10.8 per cent, average price 72.65n (+0.18). Shoep numbers down 10.8 per cent, average price 72.65n (+0.18). Shoep numbers down 10.8 per cent, average price 72.65n (+0.18). Shoep numbers down 10.8 per cent, average price 72.65n (+0.18). Shoep numbers down 10.8 per cent, average price 72.65n (+0.18). Shoep numbers down 10.8 per cent, average price 72.65n (+0.18). Shoep numbers down 10.8 per cent, average price 72.65n (+0.18). Shoep numbers down

#### AMERICAN MARKETS

bid. July 434.00 brd, Eci. 436 00 brd. Cacoa—March 152.00 (154.00), May 155.50 (157.00), July 157.35, Sept. 159 10. Oac. 161.05, March 162.55, May 163.55, Salea: 1,099. Copper—89.60 (87:00), March 89.70 (87 15), April 90.30, May 30 90, July 91.10, Sopl. 91.00, Oac. 89.20, July 89.70, Sept. 89.50, Oac. 89.20, Coffee—C. Contrect: March 124.50-125.00 (122.50), Moy 124.50-125.00 (122.50), Moy 124.50-125.00, Oac. 125.75-126.00, March 125.50-125.00, May 126.00-126.40, July 165.00-125.80, May 126.00-126.40, July 165.00-126.80, May 126.00-126.40, July 165.00-126.40, July 165.

nH. \*Gold—Fab. 249.90 (248.00). March 250.70 1248.80). April 252.70. June 257.30. Aug. 261.90, Oct. 266.50, Occ. 271.20. Fab. 275.90, April 280.70, June 285.50, Aug. 290.30, Oct. 295.30. Dec. 300.10. \*\*—Fab. 792.00 (763.50). March 251.00.70.

Platinum — April 422 00-423.00 bid, Oct 817 2 bid, Occ. 825.4 rid Feb (413.50), July 425.00 bid (415.70), Oct 833 9 bid, April 841.9 bid, June 850.3 bid, June 850.3 bid, April 841.9 bid, June 850.3 bid, June 850.3 bid, April 841.9 bid, June 850.3 bid, June 850.3 bid, April 841.9 bid, June 850.3 bid, April 841.9 bid, June 850.3 bid, April 841.9 
bid #\$Soyabeans—March 774-772 17521, May 783-783 (756), July 798-796, August 7867-784, Sept. 742, Nev. 713-712's, Jan. 722-721, March 728-729, #\$Seyabean Mes!—March 202-30-202-50 (198-40), May 205-50-206-20 (207-40), July 208-70-209.00, August 207-00, Sept 200.50-201.00, Oct 195-50, Occ. 195-80-199-80, Jun. 195-10, Morch 195-80-199-00, Bayabean Oli-March 28-57-28-57 and 195.80-190 00, 68yabean 01—March 28 57-28 57 bid (27 57), May 29.79 bid (27 79), July 28.77 bid, August 28.50, Sept 27.25, 0ct, 25.85-25.90, 0ec. 25.30-25 25, Jan, 25 00 bid, March 25 05, May 24.95-24.50.

250.70 1248.00). April 252.70. June 257.30, Aug. 261.90, Oct. 265.50. Occ. 257.30, Aug. 261.90, Oct. 265.50. Occ. 255.50. Aug. 290.30. Oct. 295.30. Dec. 300.10. 45ilvar—Fob. 792.00 (753.50). March 784.00 (754.00). April 789.10. March 789.20. July 800.50. Sept. 838.60. Occ. 821.10. July 850.20. Sept. 838.60. Occ. 821.10. July 850.20. Sept. 838.60. Occ. 821.30. Hendy Herman bullion spot 782.50 (756.90). CHICAGO Feb. 20. Lard—Chicago lease 25.25. New Yark prime atterm 27.00 traded. Live Cattle—Feb. 88.80-85.50 (66.92). April 68.00-07.90 (67.92). June 89.00. April 68.00-07.90 (67.92). June 89.00. Aug. 67.55-67.65, Oct. 65.82-65.97. Oac. 67.00-66.90, Jan. 67.50 bid. 58.80. Aug. 67.55-67.55, Oct. 65.82-65.97. Oac. 67.00-66.90, Jan. 67.50 bid. 58.80. Aug. 67.55-67.55, Oct. 65.82-65.97. Oac. 67.00-65.90, May 59.80. Morch 69.85-68.30 (67.80). May 59.80. Salest 15.81, Moy 50.25, June 70.80 asked 151.83), Moy 50.25, Solar 70.80 asked 151.80 asked 151.80 asked 1

#### Monday's closing prices

\$8arley—March 79.30 (79.00), Msy 354.60 bid, Nov. 347.30 bid, Occ. 347.20 bid, Occ. 347.20 bid, Occ. 347.20 bid, Occ. 85.00 askod, Oac. 84.50 askod, Oac. 84.50 askod, Oac. 84.50 askod, Oac. 85.00 askod, Oac. 84.50 bid, Nov. 347.30 bid, Occ. 347.20 bid,

WINNIPEG. Feb. 19. §Rye—May 83.90 brd (83.80). July 62.80 brd, Ocr. 107.60 brd (107.00). July 106.70 brd 93.70 brd, Occ. 23.60 brd. 361.00 brd, 361.00 brd, 365.00 
#### **EUROPEAN MARKETS**

ROTTEROAM, Feb 20.

U.5. No. 2 Oark Hord Winter whoat, 13.5 par csnr. mnd-fob/mid-March \$166. U.9. Derk Winter whast ordins or offeno. U.S. No. 2 Rsd Winter Whoat offeno. U.S. No. 2 Rsd Winter Whoat Cent. March \$166. April 5158, Msy \$157. U.5. No. 2 Northern Spring wheat, 14 per cent. Merch \$171, April-May \$146 May \$147.50.

Maize—U.S. No. 3 Corn Yellow aft, \$120-120.75, Fsb. \$120. March \$118.50-119.75, July-Sapt \$118.50-119.75, Oct. 175. April-Sug. \$200. Soyabeans—U.5. 2 Yellow Gullports Feb. \$297.50. March \$301.75, April-Sug. \$205. May \$306.25, June \$308.75, July-Aug \$309. \$5ept. \$302. Oct. \$278.50. Nov. \$277.50, Oec. \$2280.25, Jan. \$283.75, Fsb. \$228.75, Rissil Yellow FAQ imquotad. Argenturs May-June-July \$298 estlam.

Soyameal—44 per cent U.S. Aft, \$239. Fsb. up to Apnil \$239, April-Sept. \$241, Nov.-March \$236.50, Brszil pellots All.

#### INDICES

FINANCIAL TIMES Fab. 19 Feb. 16,M'nlh ago' Year ago 268.42 268.03 263.66 9e3.25

(Asse: July 1, 1952=100) MOODY'S Fab. 16 Feb. 16 M'nth ago Year 060 \_ 1045.7 ags.7 906.4

(December 31, 1931 ~ 100)

Fob. Feo. Month Your 19 16 ago ago Dow Jones 382.56 375.51 347.06 381.06 372.40 327.69

DOW JONES

REUTERS

Fob. 20 Fob. 19 Minth ogo Year ago 1546.0 1547.0 1466.0 1389.0 (82se: Septomber 18, 1931 - 100)

FINANCIAL TIMES STOCK INDICES

# Further heavy investment in Gilts highlights markets Early gains pared but still extend to \(\frac{3}{4}\) among longs

Account Dealing Dates Option

\*First Declara- Last Account Dealings tions Dealings Day her 15 last. The main body of Figh. 12 Feb. 22 Feb. 23 Mar. 6 secondary slocks was not in-Feb. 26 Mar. 8 Mar. 9 Mar. 20 Mar. 12 Mar. 22 Mar. 23 Apr. 3 rises commanded a four-to-one "New time" dealings may take place-from 9.30 am two business days

Government stocks continued to sel the pace in stock markets vesterday, particularly in the early trade when funds mainly from the UK but also from Japanese, Middle Eastero and European sources were heavily invested. The combined demand attracted by redemption yields still in excess of 14 per cent among the longer maturities and of over 13 per cent in the shorts, look quolations up a point further before a late afternoon

reaction set in.

Much of the market's current strength is bazed on the mounting view that any change in UK horl-term interest rates is more likely to he downwards—a marked change in opinion since Minimum Lending Rale was raised by 1, 10 14 per cent less

than a fortnight ago.
With the Government's funding programme apparently com-pleted for the current 6scal year. lhoughts of lessened demands on the market for a while injected new confidence and added point o recent speculation that the abort-medium and long tap stocks, both of which now appear 10 he cheaply priced will he substantially over-subscribed when application when application lists open tomorrow: in £15-pald form, less than £200m needs to he put up to fully subscribe for both.

Gill-edged reflected fundraising uperations for the purpose of switching into the new taps. There was also an element of profit-taking, which had an exaggerated impact on prices, in attempts by dealers to square their positions after the From its 1978-79 low of 64.64. The FT Government Securities

Index has gained 1.64 to 66.28 in the last eight business days, 1.09 of the rise having taken place since last Friday's close. Equities took heart again from the broad advance in British Funds and a small investment interest soon impinged on the market's underlying stock shortage. Just before noon, however,

courage of investors faltered

following reports of a worsening situation in Victnam and values subsequently began to drife back from the best. The FT 30-share index was 3.2 up at the 11 a.m. calculation but ended the day with no change on balance at 460.3. Yesterday's ex-

6.057—the bigbest since Septemher 15 last. The main body of volved in the late downdrift so 371p. majority over falls in all FTquoted industrials.

Activity in the Investment currency market remained at a low ebh and, with sterling little altered from the overnight level, the premium closed ? hetter at S93 per cent. Yesterday's SE confactor was 0.6850

A resurgence of demand in the Traded options markel saw the number of deals expand to 1,352. just noe shove the previous re-cord set on Fehruary 1. Ahead of the company's preliminary results tomorrow, ICI attracted 296 deals. Other active series iocluded EMI with 197 trades and Grand Metropolitan wilb 143.

Discounts higher

Continuing to mirror the current hucyant mood of giltedged securities. Discounts made further progress with gains to 10 as in Caler Ryder, 295p, and Union, 335p. Merchant banks encountered selective demand with Keyser Ullmann the major beneficiary at 47p, up 4. The major clearers, however, drifted lower in moderate trading. Barclays closed 3 lower at 382p ahead of tomorrow's preliminary results, while Midland cheapened

Insurances closed firmer throughout the list on an increased turnover. Royals did well among Composites with a rise of 8 to 338p, after 340p; the preliminary results are due on March 1. GRE put on 4 to 216p and Eagle Slar 2 to 130p. Life issues also moved higher helped by pages that the LIFE. hy news that the UK Life assurance industry had a record year in 1978 for sales of individual life contracts and personal pension business

The hulk of early gains in the Building sector were subse-ovenily eroded by small selling. Blue Circle finished just a penny up on halance at 248p, after touching 252p, Tunnel "B." however, put on 12 to 286p and buyers were altracted to Breedon and Clond Hill Lime which firmed 5 to 118p. fn thin markets, Inter-national Timber held a gaio of 4 at 116p, while Magnet and Southerns rose 8 to 145p and Brown and Jackson added 15 to 310r. In Constructions, satis-factory annual results left Marchwiel 2 in the good at 10Sp. Taylor Woodrow, in ex-rights form, moved from an opening 347p to 358p hefore settling up 9 on balance at 356p, while the new

in bargains marked reaching premium, and closed at 32p After early progress to 377p,

Utd. Scientific fall

rowly throughout with GEC easing the turn to 325p; the company annouoced last night that Dr. Henry Kissinger had been appointed consultant lo the Board. Elsewhere in the sector, a fair trade developed in Farnell, up 12 at 445p, while renewed involtment demand took Electronic Rentals 5 higher to 178p. In thin markets, Ferranti put on 10 to 388p and Decca "A" 13 to 378p. Electrocomponents rose 8

After touching 168p following the near-57 per cent profit increase. Ernest Jones (Jewellers) finished a net 2 down at 162p. Elsewhere in Stores, profitaking after the previous day's Press-inspired rise of 13 left MFI Furniture 4 off at 230p, while Vaniona relinquished 2 to 123p suspended just before the annual results. In the Vietnamese situation, and the Vietnamese situation and the Vietnamese situatio following the annual results. Bambers, on the other hand, rose 4 to 146p on renewed investment demand and mail-order concern

moved within narrow limits and closed a shade easier for choice. Elsewhere, Peter Brotherbood touched a 1978-79 low of 88p in initial reaction to the interim profits setback hut rallied to close unchanged on balance at 93p. Leading Foods encountered a useful business and J. Sainahury

and Associated Dairies firmed 6

aniece to 248p and 202p respec-tively. Elsewhere, revived speculative demand lifted Robertson 8 to 138p. and, in a thin market, George Bassett put on 10 to 121p. The widely reported take-over denial prompted sharp fluctualions in the price of De Vere Holels which, after Monday's jump of 42. dropped back to 224p hefore renewed apeculative demand holsted the price to only

3 off at 245p. News that the Kave hrolhers had acquired an 11.6 per cent slake in the com-

pany lifted M: F. North 8 to 36p. Lawtex wanted

Still taking their cue from a huoyant gilt-edged orarket, the miscellaneous Industrial leaders soon extended the previous day's good gains hy as much as 6 in However, nervousness induced by contrasting reports about the China/Vietnam crisis nil paid shares opened at 28p prompted a reaction which left

the closing tone mixed. Beecham, ments were now interested in Trading in Golds was at a low after touching 633p, closed a net 7.8m ordinary shares prompted a level following the postponement 2 easier at 625p, while Glaxo gain of a penny to 50p in English of the U.S. Treasury gold ended unaltered of 485p, after Property. Other leading issues auction and the market was also 490p. In ex-rights form, Rank attracted a reasonable early unsettled by the uncertainty Organisation closed at 232p. interest and MEPC firmed 5 for surrounding the China-Vietnam while the new mil-paid shares a two-day gain of 13 to 174p, after conflict. The Gold Mines index closed at 15p premium after 177p. British Land put on 2 to eased 0.6 to 179.5 while the ex-

closed at 15p premium after opening at 7p premium. Else-where, Crest Nicholson rose 5 to Leading Electricals moved nar-93p in response to the sharp increase in annual earnings and Solbeby's added 6 to 381p following revived investment demand. Buyers came for Lawiez which closed 7 to the good at SSp. while similar improvements were seen in Leirasei, 13Sp. and Powell Duffryn, 16Sp. Thomas French pot on 5 to 72n as did

Lindustries, to 131p, while BBA. 51p and Norman Hay. 67p, appreciated 4 apiece. Vinten to 373p, but selling triggered by ended with an improvement the chairman's view of prospects of 4 to 144p while Donald lowered United Scientific 17 to Macpherson were fairly lively and recorded a gain of 2! to 80p. Recovering from the previous day's duliness cansed by concern about the Vietnamese situation.

> approaches. Following last week's strength on speculative buying and Monday's reaction of 5, Management Agency and Music were prominent again in Leisure issues with a rise of 7 to 138p. Bar and Wallace Arnold Trust "A" also showed to advantage,

rising 6 to 121o.

Hopes that the drawn-out legal hattle between Lucas and Ferodo to gain control of French electrical component manufacturers Ducellier will sooo eod in Lucas's favour lifted the shares 3 275p. Elsewhere in Motors. the tone was mixed. Fodeos, at rise of 4 while, among Distributors, small buying was good for gains of 7 to 108p in Hartwells, and 2 to 118p in Harold Perry.

Major Newspapers showed useson Longman, 211p and News International, 273p all rose around 4 while International Thomson rallied 12 to 342p. Selected speculative issues also 12 for a two-day gain of 18 to

In Properties, the recently improved feeling about the out-look for interest rates and the effects of a broker's favourable circular combined to extend the previous day's useful advance. Prices, however, usually closed penny or so below the hest. News that Olympia and York Developalo and the 12 per cent Coovertible moved up 5 points to 123.0.

Oils shade firmer

Early interest in Oils fizzled ont and prices of the leaders slipped back from the day's best to end with gains of a couple of pence. British Petrolenm. 974p after 976p, and Shell, 640p after 645p, both closed a net 2 up. while secondary issues remained

Second thoughts over interim results helped Sime Darby to rally 3 to 105p. Else-where in Overseas Traders. S. and W. Berisford, 182p, and Gtlt and Duffus, 155p, impreved and 7 respectively. Milford Docks softened S to

175p on further profit-taking following the recent gain on news of Scannil's stake. Speculative support was again present for Sirdar, 3 better at 1090. Other Textiles traded quietly and closed with little change, but Carrington Vivella

front of today's annual stateactive early business followed by strong London support left the Plantation market in firmer mood than of late. Gnthrie rallied 6 to 438p on the general feeling that Sime

Darby will up their offer soon.

Coals continued to attract attention with Transvaal Consolidated Land a point firmer at a 1973-9 high of £161. On the other hand "Ameoal" eased 5 to 810p in front of the increased profils and dividend. In the goldorientated Financials, Johanneshurg buying lifted Anglo-Vaal a further I to a bigh of £10%.

London-registered Financials made steady progress despite a reaction in base metal prices. Charter and Rio Tinto-Zinc were both around 3 better at 151p and 282p respectively. After opening barely changed

and then easing on modest profit-taking. Australians finally moved ahead. In the base-metal producers Pacific Copper were out-standing and finally 8 higher at

ounce.	Totals	848	201	1,373
balance reflecting a 75 cents fall in the bollion price to \$247.625	Recent Insues	38	34	27
prior to closing a shade lower on	Plantation	_7	_1	24 68
maintaily directly the day	OHa	a	6	26
narrowly throughout the day	Financial and Prop.	197	124	277
South African Golds moved	Industrials	E02	124	899
Golds mark time	Foreign Bonds	40	-	24
	British Funds	54	_	. 58
a limited market to 227p.				SHILL

#### ACTIVE STOCKS

premium index gave up 0.7 to

Of the more speculative issues, gains of around 3 were common to Cultus Pacific, 30p. Scient Exploration, 45p, and North West Tins were featured by Killinghall, which advanced 45 to a 1978-9 high of 300p following Far Eastern buying.

#### RISES AND FALLS YESTERDAY

LESTEROAL				
British Funds	Lip 54	Down	Same	
Corpns. Rom. and Foreign Bonds Industrials Financial and Prop. Oils Plantation Mines Recent lagues	40 502 197 2 7 38	124 35 6 1 34	24 899 277 26 24 68 27	
Totals	848	201	1,373	
	British Funds Corpus. Ilom. and Foreign Bonds Industrials Financial and Prop. Oils Plantation Mines Recent lasues	British Funds 54 Corpus Ilom and Foreign Bonds 60 Industrials 502 Financial and Prop 197 Oils 2 Plantation 7 Mines 38 Recent lasues 4	Corpress   Bonds   40	

	ACI	T A T	OTO			
		No.				
	omina-	of	Closing	Change	1975-79	1978-79
Stock		narks	price (p)	on day	high	low
Rank Org. 'New'	Nil/p	d. 14	15pm		17pm	
ICI	£1	13	371		421	323
Beecham	25p	11	625	·- 2	726	581
Shell Transport	25p	11	640	+ 2	642	484
Barclays Bank	£1	9	382	- 3	398	296
Marks & Spencer	25p	9	86	~ i	94	674
BAT Inds	25p	8	304	+ 2	346	260
EMI	50p	8	128	- 1	190	124
GEC	25p	8 8	325	<b>–</b> 1	349	233
Grand Met	50p	8	120	+ ī	121	87
RTZ	25p	š	282	+ 3	284	164
Allied Breweries	25p	7	81	+ 1	94	78
BP	13	7	974	+ 2"	974	720
Dunlop	50p	7	65	-	90	60
' Mour'	Nil/n/	4 5	22nm		27nm	28nm

#### 66,44 66,05 66,03 66,91 66,03 77,81 460.3 460.3 453.3 450.6 457.4 455.4 454.2 179.3 180.1 177.2 175.6 174.6 177.0 160,0 Gold Mines(Ex-S pm) 123,0 123,7 121,1 120,3 118,6 120,1 118,6 6.16 6.17 6.24 6.30 6.21 6.24 9.89 Ord. Div. Yield ..... Earnings, Y'ki % Ifully 16.10 16,11 16,31 16,46 36.23 16.31 17,95 P/E Ratio Inet) (3)..... 8.05, 8.05, 7.95, 7.88, 7.99 7.95 7.85 Dealings marked..... 6,057 4,255 3,725 4,474 4,952 3,232 4,762 65,32 60,26 66,74 84,65 75,32 32,14 Equity turnover Cm. Equity bargains total - 14,175 11,533 12,110 15,177 13,488 11,349 2 pm 462.5. Noon 462.3. t pm 462.9. 2 pm 462.7 pm 462.4. Latest Index DI-246 8026. -Nil=7.82. Basis 100 Govr. Secs. 15/10/26. Fixed Int. 1926. Industrial 0 1/7/35 Gold Mines 12:9/5. Ex \$ premium index started June 19 SE Activity July-Dec. 1942. S.E. ACTIVITY HIGHS AND LOWS 1976;9 Since Compilatin High : Low . High : Low

#### **OPTIONS**

78.58 | 64.64 | 127.4 | 49.15 (5:1/78) | (6/2/79) | (5/1/85) | (5:1.75)

21.27 65.77 150.4 50.55 (8/108) 112/2:78) (22:11:47) (8:11/5)

635.5 433.4 549.2 49.4 (14:9/78) (2/3/78) (14:5/77) (28:8/40)

206.6 124.1 442.3 43.6 (14.6.78) (23.111.78) (22.5.76) (26.10.71)

Gold Mines: 132.3 90.3 337.1 34.8 (Ex-\$ pml... |14/8/78) |18/4/78) |15/4/74) |25/8/76)

DEALING DATES Last Last For Deal- Declara- Settle-Ings tion ment 6 Feb. 19 May 3 May 15 Feb. 20 Mar. 5 May 17 May 39 Mar. 6 Mar. 19 May 31 Jue. 12 For rate indications see end of

Share Information Service A livelier business than of Spillers, Dunlop, Consolidated Spillers Gold, P & O. Premier Oil, For-1992/7.

ward Technology, Ultramar, Whessoe, Charterhall, Edgar Allen Balfnur, Burmah, Amal-gamated Distilled Products, Tesco, Delteune Rubber, British Land, Associated Fisheries, Inter-City, Woodhouse and Rixson, French Kier, Robert Kitchen Taylor, Pearson Longman and Allebone. A put was late in the Option market saw reported in Sound Diffusion, calls in Fitch Lovell, De Verc, while doubles arranged included Spillers and FNFC 9; per cent

#### NEW HIGHS AND LOWS FOR 1978/9

NEW HIGHS (87) BUILDINGS IZ) Brown & Jackson STORES (4) Home Charm Semme DS (2) HOTELS (2) F.) STARTO INDUSTRIALS (12) Office & Slect BATT & WAT A Pleasarams
Lawley Leignie Samuelson Film

TRUSTS 11)

NEW LOWS (3) Hipps & Hill BUILDINGS (1) Higgs & Hill
ENGINEERING [\$1
Brotherhood (P.)
[NEUSTRIALS (T)
Redfears Nat. Glass

ALL TO

#### **COMPANY NOTICES**

#### GENERAL MOTORS CORPORATION

NOTICE IS HEREBY GIVEN that resulting from Occiaration of a Olytoeno of St.00 (grose) per shale of the Common Slock of the Corporation poyoble on 10th March, 1879, these will become due in respect of REARER OEPOSITARY RECEIPTS a gross

The Depositary wifl give further NOTICE of the STERLING EQUIVALENT tribution per UNIT payablo on and eller 15th Merch, 1979. THE CORPORATIOIL'S ANNUAL REPORT FOR 1978. Authorised Rearor Depositary Recelpts. Copies may also be abteined from Berclays Rank Limited.

Aprelove Sank Limited 54 Lombard Street London EC3P 3AH

#### NEGIT S.A.

NOTICE OF MEETING MOTICE IS HEREBY GIVEN that the nih ANNUAL GENERAL MEETING NEGIT S.A. will oe held at me gistered office in Lusembours. 10a., sulevard Royal, on Tuesday, 13th larch 1979 at 12 noon 17 the puries of considering the following

BANQUE NATIONALE DE PARIS

Floaring Rate Note issue of U.S.\$ 75 million February 1978/84

The rate of interest applicable to February 21st 1979 and sat by the reference Agent is 1t in a annually.

2.016 eachtight 1

# 28 YEAR EIGHTH CENTENARY LOA

Bondholders of the above loan are advised that the redemotion due on the 15th April 1979, i.e. ILS.11.290,008 nominal, has been effected by purchase HAMBROS BARK LIMITEO 21st February, 1979.

NOTICE TO THE HOLDERS

DF 60MDS OF THE ISSUE

74% — 1972-87

OF FF150.000.005 made by the

EUROPEAN COAL AND

STEEL COMMUNITY Commission of the Europe: munities announces that the annu

to purposes
receive and about the Report of the
terors and the Statement of Accounts
the year ended 31st Occember.

the Commany Dated this 28th day of February, 1272. ay Order of the Board. W. A. COSCROVE. Secretar

Blackwell House. Aldanham Road.

#### APPOINTMENTS

INTERNATIONAL FOREIGN EXCHANGE AND CURRENCY DEPOSIT BROKING COMPANY requires

#### EXPERIENCED BROKERS

for its Bahrain office

Openings available up to managerial level with salaries commensurate to these highly challenging posts. Any replies will be treated in full confidence.

Please submit full curriculum vitae to Bar A.6661. Finnacial Times. 10, Connon Street, EC4P 4BY.

# THE COLNE VALLEY WATER COMPANY HOTICE IS HEREBY GIVEN that the TRANSFER BOOKS of Ordinary and Preference Stocks will be CLDSE and Preparation of the Owdend Warrants cayable on 1st April 1970. Dated this 2 st day of February, 1979. Blackwall House, Aldenham Road,

#### **LEGAL NOTICES**

Ns. CO170 of 1979
In the HIGH COURT OF JUSTICE Chancery Civisian Companies Coun. In the Marier of STEPER FASHIONS LIMITED and in the Matter of THE COMPANIES ACT 1948.

NOTICE IS HERRBY GIVEN that a Petition for the winding up of the above-named Company by the High Court of Justico was on the 17th day of January 1879 presented to the said Court by THE MAYOR AND BURGESSES of the London Borough of Islington Court by THE MAYOR AND BURGESSES of the London Borough of Islington and that the said Pelition is directed to be heard before the Court situng at the Royal Courts of Justice, Strend, London WCZA 2LL, on the 5th day situation of the Strend London WCZA 2LL, on the 5th day situation of the Strend Company desirous to aupport or ospose the making of an Order on the said Petition may esgear at the time of hearing in person or by the Counsel for that pursose; and a copy of the Petition will be limitable by the undersigned to any creditor or

ha Counsol for that pursose; and a copy of the Petition will be firmished by the undersioned to any craditor or contributory of the said Comoeny requiring such copy on payment of the reguleted charge for the same.

C. TAPP.

393/395, City Road, EC1.

NOTE—Any serson who intends to appear on the hearing of the said Potition must sorve on or send by post to the above-named, notice in writing of his intention so to do. The notice must state the name and eddress of the person, or, if o firm, the name and address of the person, or, if o firm, the name and address of the firm, and must be earned by the person or firm, or his or their active for (if any), and must be served or, if posted, must be een by sost in aufficient time to reach the above-named not later than four o'clock in the oftermoon of the 2nd day of Mych 1979.

Ho. CO2967 of 1278

In the oltemoon of the 2nd day of Mirch 1979.

Ho. 002967 of 1278

In the MIGH COURT OF JUSTICE Chanacry Givision Group A. In the Mailer of WARWICK ENGINEERING INVESTMENTS LIMITED and in the Maner of THE COMPANIES ACT, 1948.

HOTICE IS MEREBY GIVEN that he Order of the Migh Court of Justice (Chanacre, Givier on) dated the 29th day of January 1279 confirming the above-tion of the capital of the above-tion of the Company from £1,350 (00) in £1,072,076 40 and the Mininte approach by the Court shown with research to the about of the Company of altered the saveral particulars required by the the saveral particulars required by the above-mentioned Act were required by the above-mentioned Act were required by the Above-mentioned Act were required by the Required of Componies on the 5th dev of February, 1979.

Outed this 15th dev of February, 1979.
FORE & ELLISON HATWELL PRITCHETT & CO., Builland House

#### RESIDENTIAL **PROPERTY**

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#### LONDON TRADED OPTIONS April July

10 | 115 | 17 2 | 76 | 1

SP COM. Union: Come Gold Cone Gold Courtaulds GEC GEC GEC GEC Grand Met. Grand Met. ICI ICI ICI ICI ICI ICI ICI ICI ICI IC	140   140	112 50 111 114 1312 30 10 14 1513 1513 1513 1513 1513 1513 1513 1	40 113 25 44 13 45 4 158 158 57 316 621	41e 59 1812	3 20 22 38 38 5 1 6 173	715 712 1412 6 8 39 23 16 23 16 23 16 23 16 23 25 40 40 40 45 45 45 45 45 45 45 45 45 45 45 45 45	13 30 11 14 37	206p 106p 106p 326p 120p 120p 373p 87p	
		Februe	iry :	Ma	y 1	Augu	ust		
aOC Inti. Boots Boots Boots Boots EMI EMI EMI ImperialOp ImperialGp RTZ RTZ RTZ	70   200   220   240   250   130   140   140   280   280   240   2	8 19 14 14 14 15 14 15 14 15 14 15 14 15 14 15 15 15 15 15 15 15 15 15 15 15 15 15	57 53 1 6 10 35 10 10 10 10 10	212 11 4 1 1552 952 512 112 9 4 70	27   12   12   12   87   32   23   5	1512 712 1312 1312 72 1112 735 735	a	72p 184p  18ap  86p 282p	

#### RECENT ISSUES

#### **EQUITIES**

9544	F.P.	6:2 133 6:2 37 B:2 37	118 H	20   20   20   20   20   20   20   20	_:
		FIX	ED IN	NTEREST STOCKS	
Prido	Am und Pald up	도였!~~	978/ <del>19</del> sh   Low	Stock	80 t-
98 100	Nii 2 F.P. 2 F.P. 2 F.P. 1 110 F.P. 1	5/2   1 5/1   100 5/1   100 5/1   140 5/1   100 5/1   100 5/1   100 5/1   100	pm 1pm 012 894 112 985 1 102 1 13 100 13 100 15 10 10 10 10 10 10 10 10 10 10 10 10 10	Assoc. Dairiss 91.3 Praf Chapstow Race o 5% Gnv. Uns. Ln. 1285 Corne Valley water 5% Red Prf 1985. Findlay 92 Cnv. Cum. Red. Prf. Hawley Lelaure 12% Cnv. Uns. Ln. 188.56 Mid Kent Water 85 Pref. 1284. Mid Southern Water 83 Red. Praf 1984 Rivington Reed 91.20nc/Cum. Red.Pref. Seascope 104% Pref.	100p 100p 142 100 95; + 1; 107p - 5

#### "RIGHTS" OFFERS

ssus Price		Renunc.	1978/9	'Stock	E OT	+
p:	Par	• 2	High   Low		9 10 10 10 10 10 10 10 10 10 10 10 10 10	
123 CS212 60 220 60 67 58 26 10 18	F.P. NII F.P. NII NII NII F.P.	= =	24pm 18pm 9pm 6pm 255 238 3pm 2pm 91gpm 74gpm 3pm 41spm 17pm 7pm 17tg 14tg 26tg 23	Baker Parkins Bank of Nova Scotia Auroc Oean Haulemere Estates Hawkins & Tipson Macpherson 101 Mantfart Rank Org. Suter Electrical Befd. Swan Ryan Intl. Taylor Woodrow.	Spm Supm Alepm 16pm 16	+12

Renunciation dero usually last day for dealing tree at stamp duty. 8 Figures based on prospectus estimate. 2 Assumed dividend and yield, a Farecast dividend; cover based on previous year's samings. Followend and yield based on prespectus or other official estimates for 1879. 9 Grees. 7 Figures assumed.; Cover allows for conversion at shares not now ranking for dividend or tanking only for restricted dividends. 8 Placing price to public, pr Penes unless otherwise indicated. "I saved by the provision of the provisions." I saved by way of application. 5 8 Reintroduced. "I saved in connection with reorganisation, merger or takeners, all introduction. I saved to larme preference holders. Allotment ratters (or fully-paid). Provisional at panly-paid allotment letters. \* With warrents. It Unlisted security.

## FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

EQUITY GROUPS  & SUB-SECTIONS  Figures in parentheses show number of stocks per section		Tı	ues., I	eb. 2	0, 197	Mon., Feb. 19	Feb.	Feb.	Wed., Feb. 14	Yes 290 (appro	
		Index No.	Day's Change	Est. Earnings Yield % (Max.)	Gross Div. Yield % (ACT at 33%)	Est. P/E Ratio (Net)	Index No.	Index No.	index No.	Index No.	Inde No.
1	CAPITAL 6000S (172)	226.89	+0.5	17.85	5.86	7.65	225.72	223.37	222.77		. 198.2
2	Building Materials (28)	200.99	+1.1	19.07	6.53	7.22	196.82	196.71	196.69	199.91	175.
3	Contracting, Construction (28)	338.04	+16	22.72	6.03	6.20	332.75	328.83	339,49	335.27	315.2
4	Electricals (15)	542.71	+8.2	14.18	3.50	9.65	541.43	532.95	528.45		427.0
5	Engineering Contractors (12)	344.92 174.95	+10	19.48	6.56	6.94	341.65 174.80	339.11	338.63	341.95 175.78	284.
8	Mechanical Engineering(73)	156.95	+0.4	17.74	9.16	7.84	156.38	153.77	173.37 155.21	156.10	157
٩l	CORSUMER COORS	130,33	T-0.7	17.77	7.10	1.47	13036	155.65	11321	150.10	1 101
шl	(DURAGLE)(53)	208.57	+0.9	16.93	5.20	7.89	206.77	203.57	261.51	202.16	1821
12	Lt. Electronics, Radio, TV (16)	273.33	+10	13.86	3.83	10.12	278.67	265.18	261.91	261.98	218
3 (	Household Goods (12)	159.28	+0.1	18.63	7.33	7.42	159.15	158.96	158.94	159.19	166.3
4	Motors and Distributors (25)	113.78	+0.8	22.61	7.44	5.56	112.84	111.80	110.91	111.95	111
· [	CONSUMER COODS										1
<u>n</u> ]	INON-DURABLE) (170)	209.42	+9.6	16.67	6.20	7.90	208.12	205.97	204.59	206.79	186.0
22 🕽	Breweries (14)	224.59	+0.9	17.00	6.69	7.46	222.63	220.79	221.46	224.66	218.4
3	Wines and Spirits (6)	296.37	+0.9	15.68	5.03	9.37	293.86	291.21	289.71	293.42	236.0
4	Entertainment, Catering (17)	775.93	+0.6	15.86	6.86	8.34	Z74.18	238.24	268.56	271.58	739.
5	Food Manufacturing (19)	198.97	+0.7	18.89	5.58	7.06	197.54	195.34	19451	196.84	180.
6	Food Retailing (15)	238,44	+2.7	13.53 21.52	4.94	10.05	232.28	228.35	226.89	229.10	184.5
2	Newspapers, Publishing (12)	380.97 133.91	+01	18.84	6.42 7.87	6.59	376.93 133.83	375.48 131.88	376.59 130.49	377.24	3120
4		193.31	+01	12.66	4.92	1131	193.04	197.12	189.62	131.99	171.7
5	Stores (40)	170.35		10.93	8.88	6.84	170.42	169.31	168.59	170.59	171
6 1	Tobaccos (3)	244.39	+0.6	23.20	8.42	4.95	242.91	20133	236.77	237.84	223.
7	Toys and Games (6)	90.97	+0.8	24.39	7.14	4.83	99.24	90.05	98.86	91.33	98.3
1	OTHER EROUPS (99)	196.02	+0.3	15.71	6.38	8.20	195.51	192.59	191.19	193.53	188.6
2	Chemicals (18)	283.12	-0.1	15.75	6.69	8.27	283.29	277.97	273.99	278.47	247,0
3	Pharmaceutical Products (7)	242.21		11.47	4.80	19.56	242.23	237.87	235.46	238.83	239.4
4	Office Equipment (6)	125.19	+11	16.00	6.49	7.82	123.83	121.76	322.26	123.77	123.7
5	Shipping (20)	402.10 211.79	0.7 +0.7	15.84 18.37	7.56	8.43	404,75	465.27	405.02	409.06	429.
7	Miscellaneous (58)	217.24	+0.5	16.75	6.80	7,38	210.22	207.76	297.35	208.68	188.7
1	INDUSTRIAL GROUP(494)	558.56	+0.2	12.50	3.60	7.90	215.10	213,54	212.24	214.62	194.3
9	Olis(6)	245.11	+0.5	16.03	5.67	8.69	557.25 243.94	553.15 241.24	550.65	553.36	435.7
러	500 SHARE INDEX	170.82	+0.5	20.03	5.77	6.03	169.77	167.86	239.83	242.27	214,3
2		203.83	-0.9	24,48	5.82	5.85	205.70	281.78	167.44 200.96	202.29	159.9 · 180.1
3	Discount Houses (10)	221.81	+25		8.23		216.37	213.83	212.54	213.03	196.9
4	Hire Purchase (5)	158.25		20.19	5.56	6.35	158.17	155.32	152.69	156.13	149.8
5	Insurance (Life) (10)	129.05	+1.6		7.28		127.05	126.44	127.27	128.32	134.1
6	Insurance (Composite) (7)	117.97	+1.2	_ ,	7.43	· —.	116,60	115.53	115.27	116.63	125.7
7	Insurance Brokers (10)	302.12	-0.3	16.47	6.37	8.70	342.92	.300,72	299.67	307,78	318.6
8	Merchant Banks (14)	77.91	+15	1	6.43	_	76,74	76,90	76.64	76.50	76.6
9	Property (43)	293.26	+1.2	3.61	2.75	44.42	289.79	285.08	284,13	285,88	232.1
2	Miscellaneous (10)	111.82	+0.5	20.20	7,65	6.16	111.27	111.34	111.16	111.03	303.0
1	Investment Trusts (111)	207,44	+0.4		5.17		206.66	294.83	207.33	208,37	182.2
1	Mining Floance (4)	121.26	+1.0	15.50	5,87	7.94	128.64	118.98	118,79	110,83	- 88.6
1	Overseas Traders (20)	324.37	+1.2	15.06	7.56	8.45	328.68	315.02	317.45	317.64	269,9
9	Oversess Traders (20)	225,76	+0.5	. —	5.70	-	224.64	222.30	221.27	223,29	198.0
	FIXED INTEREST PRICE	INDICES			FD	ED INT			Tues. Feb	Man., Feb.	Year - ago

	FIXED INTEREST PRICE INDICES						FIXED INTEREST YELDS Br. Govt. Av. Gruss Red.			Man. Feb. 19	Year ago (approx
	British Government	Tues., Feb. 20	Day's change	zd adj. today	nd adj. 1979 to date	1 2 3	Caupons	5 years	19.30 12.10 12.92	10.41 12.14 12.96	7.73 10.02 10.45
1 2	Under 5 years	102.37	+0.36	-	166	4 5 6	Médian Coopons	5 years	13.17 13.57 15.57	13,51 13,63 13,63	9.86 11.00 11.14
3 · 4	Over 15 years	109.95	+0.55	_	1.55	7 8	High Compons	5 years 15 years 25 years	13.63 14.10 14.11	13.53 14.28 14.18	10,49 11.99 12.02
5_	All stocks	106.16	+0.48		1.48	10	inedecombi		12.53	12.66	10.20
_	1.		liv	ues., Fob	20 Mo	n.	Fri. Th	Wed The	Mor		Vacu

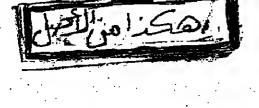
	Index No.	Yield X	Feb.	Feb. 16	Peb. 15	Fob.	Tees. Feb. 13	Mon. Feb. 19		sto (sport) (sec.
20-yr. Red. Deb & Loans (15) Investment Trust Prefs. (15) Coml. and Indl. Prefs. (20)	48,72	14,30	48,31	48.12	47.99	48,01	47.88	47.88	47.01	57.05

‡ Redemption yield. Highs and lows record, base deter and values and constituent changes turday issues. A new tigt of the constituents is available from the Publishers, the Financial Times and Street London. EC4P 48Y, price 13p. by post 22p.

13 | 20-yr. Red. Deb &

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#### **AUTHORISED** OFFSHORE AND 752; High Hothorn, WCLV 7EB. 01-405 8441. Pear I Ordett Fd. 24.2 25.11+0.22 4.98 Pear I Inc. 33.0 35.5 +0.4 7.14 Pear I Inc. 35.7 35.5 +0.4 7.14 (Accum, Units) 45.9 50.5 +0.4 5.31 Pelican Units Admin. Ltd. (g)(x) 57/83 Princes St., Manchester. 061-23 Target Tst. Mgrs. (Scotland) (a) (b) 90.4 97.2 +0.9 4.74 19, Athol Crescent, Edin. 3. 7 arget Amer Eagle/26.3 7 arget Thistie 41.1 Extra Income Fd. 57.7 031-229 8621/2 28.3 +0.1 1.91 44.2 +0.2 6.34 62.64 +0.3 10.73 Allen Harvey & Ross Inv. Mgt. (C.I.) 1 Drams Crov. St. Helen, Jul. C 1 0534-75741 AHS Gilt Edg.Fd......[£10.11 10.15] .... [ 12.67 Arbuttmot Securities (C.I.) Limited Trades Union Unit Tst. Managers# | Acam. Units Jan. 25 | 264 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 254 | 4044 +02 384 523 +03 017 647 +04 480 Allied Hambro Group (a) (gl tambro Hse., Hutton, Brentwood, Essey. 11-588 2851 or Brentwood (0277) 211459 Frankington Unit Mgt. Ltd. (2) 5-7 Irokon Yard. ELAB SDM. 01-2486771 Kleinwort Benson Limited Australian Selection Fund NV Bank of America Integrational S.A. 35 Boulevard Royal, Levemburg 6.0. Widewest Income \_\_SUSILIO 112.67 \_\_\_ | 8.21 Banque Bruxelles Lambert 2. Rue De la Regence 2 1000 0 Friends' Provdt, Unit Tra Mars. 超端 强 U.K Grit, Diei 19.6 J. Henry Schroder Wang & Co. Lief. J. Henry Schroder Wang & Co. Lief. J. Henry Schroder Wang & Co. Lief. Capital Feb. 20 1950 1119 177 298 (Accum, Units) 177 1145 120 299 (Accum, Units) 177 1145 120 299 (Accum, Units) 177 1145 178 178 (Accum, Units) 177 1145 178 (Accum, Units) 178 1162 436 (Accum, Units) 178 1162 436 (Accum, Units) 178 1162 436 (Accum, Units) 178 1168 1168 1168 Species Feb. 278 1188 1168 1168 Scottish Equitable Fnd. Migrs. Lini 9 28 St. Addrews Sq. Edinburgh 1031-556 9101 Income Units 150 562 112 564 Accum, Units 150 562 112 564 Accum, Units 150 579 288 111 13 564 Section Units 150 579 288 111 13 564 Section Units 150 579 288 111 13 564 Reliance Unit Mgrs. Ltd.♥ Reliance Hsc., 7 sebridge Wetts, KL 0892 22271 Deportunity Fd. 16.1 72.8 +1.2 5.87 Selforde T. Inc. 43.0 46.0 +0.4 3.49 Selforus T. Inc. 43.0 46.0 +0.4 3.49 6.7. Unix managers Luny 16 Findary Circus, ECDN 700 5.7. Cap. Inc. 99.2 Do. Acr. 118.7 6.7. Inc. Fd. Un. 126.9 6.1. U.S. & Gry. 126.1 G.T. Japan & Gen. 38.7 Acr. Bare by Ed. 165.0 Tyndali Managers Ltd. V Tyndali Managers Ltd. V 18, Canynge Road, Bristol. Inzone Feb. 14. 94.2 (Accsm. Uchts. 277.6 Lapital Feb. 14. 128.0 (Accsm. Uchts. 128.2 (Accsm. Uchts. 158.2 Int. Earns. Feb. 14. 250.2 (Accsm. Uchts. 279.8 Pref. Feb. 14. 109.5 (Accsm. Uchts. 133.2 Accsm. Uchts. 133.2 | Accum. Units) | 133.2 | 24, Castle 51, Edinbursh | 5.00.1 (in. Feb. 14 | 136.6 | 5.00.1 (in. Feb. 14 | 138.6 | 5.00.1 (in. Feb. 14 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | 138.6 | Rowse Unit Trust Mingt. Ltd.9 (2) | Init | 152 | 151 | 152 | 151 | 152 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 | 153 Security Selection Ltd. 15-19 Chemistrian Fields, WC2. 07-831 6936-9 Lievi Sth Tei Acc. 25-2 25-9 452 Umf Gib Tei Acc. 25-2 25-9 452 TSB Unit Trusts ly1 21, Danny Way, Andrew, Hants Deathes to 1254 634223 (b) TSB General 45,9 (b) TSB Income 59,5 (b) TSB Income 59,5 (b) TSB Income 59,5 (c) TSB Income 59,5 (d) TSB Income 59,5 (e) TSB Income 59,5 (f) 4,55 (h) 5,55 (h) 30, peril 31., 32 reas, 32 rea Royal Tst. Can. Fd. Mgrs. Ltd. #5, Capriotte Sq., Edithuroh. 031-226 5271 #Stavent American Fund Standard Units. 61.1 64.9 1.47 Witterwal Units. 69.2 52.3 - 147 Witterwal Units. 69.2 52.3 - 147 Standard Inflat. 64.915 Fund Standard Inflat. 64.915 Fund Standard Inflat. 180.01 +1.6 4.20 Accum, Units. 180.01 180.01 +1.6 4.20 Desired Flues. 6 Frl. Wed. 10a Boutreard Royal, Luxembours HAV Feb 16 ........ | SUSIZ-50 | . . | Ulster Banky (a) Waring Street, Belfast. (b) Ulster Growth ..... |36.4 way Unit Tst. Mgs. i.td.♥ (a)(e) High Holborn, WC1V 7NL. 01-831 6233 Newsy Fund. 83.4 88.7 1 6.35 Prices at Feb. 15. Next sets, day Feb. 22. Unit Trust Account & Mgest Ltd. King William St. EC48 9AR Frius Hss. Fund 38.4 Wieter Grth. Fnd. 22.5 Do. Accum. 34.5 Universal Fd.(d) | S70 | 612 | 102 | 235 | Asternatingal Funds | Funds Sunterfield Management Co. Ltd. P.D. Box 195, Hamilton, Bermusa Suttress Equity — \$195.243 2 52 .... 2.70 Buttress Income — \$185.243 2 52 .... 2.70 Prices at Feb. 5. Nert sub. day March 12. For Capdirey, SA See unde 翔網 選 Target Tst. Magrs. Ltd. V Ia) Ig) 31, Gresham St., EC2. Dealings: 0296-594) Tierget Conversably 162-2 65-4 13 Target Conversably 162-2 67-4 13 Target Experimental 623 67-4 13 Target Experimental 623 67-4 13 Target Experimental 623 67-4 14-3 Target Experimental 623 67-4 12-5 Target Experimental 623 67-4 Target Exp Inicorn Ho. 252, Ro 55.8 +0.7 7.69 71.04 +0.7 8.90 45.24 +0.2 10.03 48.1=4 +0.4 5.08 apital International S.A. INSURANCE AND For Central Assets Mngt. Ltd see under Keyser Ulimao Ltd. Charterhouse Japhet Sarie & Prosper Broupy 4, Ga. St. Heien's, Ladn. ECSP 3EP. Bal. Inv. Fd. 1324 1402 Prosperty Fd. 1340 1713 Deposit Fd. 1223 137 Deposit Fd. 1223 137 Deposit Fd. 1223 137 Egaty Peru. Fd. 1717 2024 Gilt Peru. Fd. 2344 251 Gilt Peru. Fd. 755 100 Depos. Forc. Fd. 1047 taring Brothers & Co., Ltd.\(\psi\) (a)(x) Clive Investments (Jersey) Ltd. P.O. Box 320, St. Heller, Jersey 0534 37361 | Shopspate Progressive Mgmt. Co. | | Shopspate EC2. | 200.2 | 213.3 | 1.3 | 3.1 | | C. Utc. | Feb. 20. | 201.6 | 257.4 | 1.5 | 3.1 | | Sate | Int. | Feb. 13. | 100.3 | 107.94 | | Count. | Feb. 13. | 201.5 | 214.4 | ... | 2.1 | | Next sub. day | Feb. 20. | \*\*March 6. M & Greent Three Quays, Tower Hill, EC3R 6BQ. 01-626 45BB. American Ed. 55.11 Rothschild Asset Mgt. (Beemuda) Schroder Life Group# Prices at February 20, Valuation according Tuesday, Albany Life Assurance Co. Ltd. Enterprise House, Portsmo 01-437 5962 Eagle Star Insur/Midland Asser. 1, Thresheede St., EC2. Eagle/Mid. Units. | 54.1 | 56.1 | 40.5 | 6 Equity & Law Life Ass. Soc. Link DWS Deutsche Ges. F. Wertpapiersp. dge Fund Managers (a)(e) . Iridge Fund Managers (2)(c) legis Hee, King William St., ECA. 01-623-4951 merican & Gen.\$\(\frac{1}{2}\) 2-2-7 \(\frac{1}{2}\) 1-32 mone \(\frac{1}{2}\) 2-2-7 \(\frac{1}{2}\) 1-35 mone \(\frac{1}{2}\) 2-3-1 \(\frac{1}{2}\) 1-3-52 mone \(\frac{1}{2}\) 1-3 避损 弱 P.O. Box 73, St. Helier, Jersey. 醬物環 | Deutscher Investment-Trust | Postach 2685 Biebergasse 6-10 6000 Frankfurt | Concentral 2005 Biebergasse 6-10 6000 Frankfurt | U.S. Dollar-denommated Funds | U.S. Dollar-denommated | U.S. Dollar-denommated Funds | U.S. Dollar-denommated | U.S Merciant Investors Assurance Merchant Investors Assers Leon Hse., 233 Hopt St., Croydou, Property Press. 156.4 Property Press. 176.1 Smith Press. 176.1 Smith Press. 176.1 Morey Market 192.4 Deposit Pers. 186.0 Maraged Press. 186.0 Maraged Press. 186.0 Maraged Press. 186.0 Ind., Maraged 186.1 Ind., Maraged 186.4 Ind., Do. Press 186.7 Ind., Maraged 186.4 Ind., Press 186.7 Ind., Maraged 186.7 Ind., Ind. Reserval Portfolio Life Ins. C. Lid. 9 60 Barbotonew Ct., Washem Cross, WX319 Portfolio Fund 143,5 Profice Fand 41,9 Finde, Fad, Int. 47,5 50,0 42.9 +0.1 1.37 49.2 -0.1 1.38 85.24 +0.1 1.37 49.20 +0.1 1.38 85.24 +0.1 1.94 AMEV Life Assurance Ltd. P AMEV Mod. B 117.7 123.9 AMEV Mod. B 117.7 123.9 AMEV Mod. B 117.7 123.9 AMEV Flower Fd 106.7 114.3 AMEV Flower Fd 106.7 114.3 AMEV Flower Fd 106.7 114.3 AMEV Flower Fd 106.1 106.6 AMEV Mod. Pen. Fd 106.1 107.1 AMEV Franciscon 100.4 106.6 ent (a)(g) ## 19 Part | Par Scuttish Widows' Group P.O. Box 902, Edinburgh EH16 58U. 031-655 6000



#### **INFORMATION SHARE**

BONDS & RAILS—Cont. CHEMICALS, PLASTICS-Cont. ENGINEERING-Continued BANKS & HP—Continued Price | f tor Dir. | Yld | 1972-79. Proce - Net C've Se's PAE Price - Net CW SY'S PE Stock Stock **BRITISH FUNDS** Price |+ ar | Yield £ |--- | lat. | Red. Labora int. 500
Leigh Int. 59
Norsk H. Kr. 80
Phys 10p
Research Wm, 10p
Research II
Stewart Plastics
Wards (Ber. 10p
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# **Offshore** U.S. oil rigs may be taxed

U.S. OIL service and supply companies working on the U.K. liable to British taxation for the first time even if they are not permanently established in the

This is believed to be one of the main changes to the U.S./ UK double taxation treaty, which is still to be ratified by the governments of both countries.

The move to make all U.S. oil service compaoles operating in UK waters liable to British taxation is part of a compromise deal aimed at making the taxation package more attractive to

the British Government.
It appears certain that the new pact will not ban the controversial unitary tax regime of U.S. states such as California and Alaska, which taxes foreign multinational companies on a proportion of their world-wide income.

The original treaty covered this point but after extensive lobbylog, the U.S. Senate deleted the relevant clause before approving the rest of the treaty last June.
Under the revised protocol

which is still to be published, U.S. companies involved in the U.K. offshore oil and gas activities will become liable to UK taxation as if they bad permsneut bases in the country.

Many U.S. service and supply companies operating on shortterm contracts do not bave any permanent oushore business, Under the present treaty they can therefore escape taxes.

The treaty amendment will probably cover companies operating in UK waters for more than 20 days and the companies of the comp more than 30 days in any 12 mouth period. It is expected to bring into the UK tax net U.S. companies providing the services of geologists, geophysicists, drilling consultants, specialist submersible operators, oil well engineers and other oil well engineers and other technical expertise.

Companies that are affected will be able to offset their UK tax payments against U.S. taxation.

Another proposal which could be included in the amended protocol would set a limit to the amount of Petroleum Revenue Tax relief that oil companies will be able to claim against U.S. tax.

In addition some senior tax accountants believe that there may be a restriction on the amount of advance corporation tax pald by UK subsidiaries which U.S. companies will be able to reclaim. Under the treaty as originally drafted this refund would have been available from April 1975.

#### Rival yards to work on Govan order

By lan Hargreaves, Shipping Correspondent

WORKERS at Govan Shipbuilders, Glasgow, bave agreed to the almost unprecedented stsp of allowing part of an order be sub-contracted to rival yards to meet delivery dates.

The decision, designed to ensure prompt delivery of the yard's Polish ships, was made at a mass meeting yesterday. It followed a recent "work-in" at the yard. Manual workers the yard. Manual workers refused to obey a management instruction to stay away because of industrial action by super-

The men, who were technically in breach of regulations covering health and safety, worked for three days without super-vision to ensure that there was no further delay in the controversial Polish programme. Govan is building 13 ships in

the £115m deal between British Shipbuilders and Poland. Heavy penalty clauses spply for late

The ships are due for delivery between next month and the end of the year and workers have agreed to sacrifice several million poundsworth of work to maintain this programme.

Under the deal, machinery will be installed in certain ships at the Kincaid engine works, also on Clydeside. Other outfitting jobs will be done by Cammell Laird on Merseyside and Sunderland Shipbuilders. All those companies are subsidiaries

of British Shipbuilders. The organisation yesterday expressed confidence that all 24 vessels ordered would be completed on time, although certain vards had fallen behind.

One of these is the South Bank yard of Smith's Dock, Teesside. Delays were caused by an inter-union dispute involving drain the ships draw-responsible or the ships draw-ings.

Bad weather has also bam is the fitting of a pipe from the water-main to the sprinkler

pered several yards this winter. last April

# Scots need $1\frac{1}{2}$ m 'yes' votes for devolution

BY ELINOR GOODMAN, LOBBY STAFF

overcome the 40 per cent burdle in the legislation in serted by opposition groups.

In Wales, where it is likely to be more difficult to meet the two-fifths requirement, the figure is about 815,000.

Figures released yesterday by the Government on the numbers entitled to vote in the refereodums on March 1 show that a far smaller adjustment had been made to the electoral tain the support of the 13 registers than pro-devolutionists Scottisb Nationalist Party MPs maintained was necessary to take account of the dead, or those registered at several addre

tion might bs enough for the Government to argue in the Commons for the setting up of the Assemblies.

As long as at least 50 per cent of those wbo bother to to the polls vote "Yes," then Ministers will be able to maintain that the electorate bas shown that it wants devolu-

In this way they hope to mainand hold on to power until

those registered at several They believe that party iddresses.

In Westminster, however, among Labour backbeuchers. there is a growing feeling that If less than 40 per cent of the such figures are largely acatotal electorate in Scotland and

#### **BBC** ignores Callaghan advice

The Prime Minister yesterday urged the BBC to go ahead with party political broadcasts on the referendum in spite of the court injunction preventing the Independent Broadcasting Authority from showing them in Scotland. His advice was Ignored, however, by the BBC which last night announced that it was scraping the broadcasts Last week a Scottish judge

ruied that the IBA would not be maintaining a proper politial balance if the programmes went ont. Yesterday, Mr. Callaghan said that what the BBC did was a matter for them but be trusted that the broadcasts would go on.

The question was for the political parties to sort out and not the Government, be stressed. Page 11.

JUST UNDER 1-m people in demic. The signs are that a Wales vote in favour of devolu-Scotland will have to vote in simple majority—bowever small tion the Government must table favour of devolution to officially —of voters in favour of devolu- an order repealing the legislation the Government must table tion setting up the Assemblies. This means that for the first time in Britisb electoral history, voters who abstain will bave a

direct influence on the result. But just because the Government has an obligation to lay an order repealing the legisla-tion under certain circum-stances does not mean it would have to support such a repeal. Several of those Ministers

most closely concerned with de-volution believe that, as long as a majority of those who go to the polls vote in favour of devolution, they could argue against supporting the order when it

Since the Tories would undoubtedly support the order Parliamentary procedure dic-tates that the Government could succeed with this strategy only if most of those who rehelled against the party on devolution when the Act was passed fell into line this time.

The signs are that if Ministers do not try to press ahead with the Assemblies when the referendum has produced only a small majority in favour, then even some of those Labour hackbenchers most closely associated with the insertion of the 40 per cent rule might be prepared to go along with the Government rather than be responsible for

# State industries accounts guidelines out soon

BY MICHAEL LAFFERTY AND JOHN LLOYD

INTERIM ACCOUNTING guidelines for the nationalised industries are expected to be announced by the Treasury this

Its statement is likely to con-firm that the State industries bave been unable to agree any common accounting rules after the outcry that greeted last year's annual reports.

The main complaint con-cerned the variety of accounting

policies adopted by different nationalised companies. Central to that was the British Gas decision to provide supplementary depreciation charges in its 1976 accounts without making any adjustment to figures in

the previous year.

The practice was continued last year and copied by the electricity industry.

the Treasury would hold talks with the companies in an effort to bring some uniformity to their accounts. By late last year, however, it was clear that the talks bad resulted in little

The compromise, which will

be announced probably on Thursday, is likely to emphasise that the UK is going through a transition period from tradi-tional methods to the currentcost type of inflation account ing. Until an agreed inflation accounting system is reached, therefore, the Government does not propose to introduce sepsrate rules for the State companies.

Instead, all the nationalised industries may be expected to

It was announced later that emphasise operating profits in this year's annual reports.
That figure is determined

before interest charges and other non-trading items. However, it would be useful for any sort of comparison only if all the companies determine depreciation charges in the same way and follow similar accounting

rules for other items.

The second part of the compromise seems to centre on a form of statement contrasting each company's actual perforits financial targets.

Finishing touches to the statement seem to bave been completed at a meeting last Friday between the Nationalised Indus tries Chairmen's Group and Mr. Denis Healey, Chancellor of the

# Arab bid for bank stake meets new snags in Washington

run into another obstacle in their efforts to acquire Financial ruling is based on a conflict General Bankshares, the with Maryland State banking Washington bank-holding com- laws.

The U.S. Federal Reserve Board has ruled that the vehicles created by the Arab group to make the fiercely opposed acquisition — Credit and Commerce American Holdings NV of the Netherlands Antilles; and Credit and Com-merce American Investment of the Netherlands, cannot be given the necessary prior

North-West to a new water

fire protection sprinkler instal-

lations, involving in some cases

stiff increases, has now

developed to the point where

two county councils Greater

Manchester and Cumbria-are

refusing to pay the charges imposed by the North-West

Mr. David Brindle, a senior solicitor of the Greater Man-

chester Council, has told Manchester Chamber of Com-

merce and Industry, which bas been active in opposing the increases, that his authority

considers them unlawful. It was

prepared to take its protest as far as possible, be said, "even if it meant being taken to court."

Mr. Brindle added: "The water authority cannot monitor the amount of water used in

fire-fighting purposes, so It has

imposed a high standing charge.

The only cost of the sprinklers

New charges were introduced

Water Authority.

acquire the \$2.2bn bank. The

A GROUP of Arab investors approval to become bank-hold- Middle East investors' lawyer, advised by the Bank of Credit ing companies. said that the Central Bank's and Commerce in London have They would need this to decision was not an insur-

In coming to its decision the Fed has ruled that the proposed takeover by the Arab group, which is also being advised by Mr. Bert Lance, President the Maryland bank concerned Carter's former Budget director, was a small subsidiary of would infringe Maryland bank- Financial General.

ing laws, which rule out "hostile" takeovers of banks. Financial General is one of

mountable obstacle to the deal. The group would continue trying to acquire Financial General

He said that there were precedents for challenging the constitutionality of the Maryland takeover statute, adding that

Mr. Altman suggested that there were ways in which the obstacle to the deal presented the few U.S. banks which has by Financial General's owner-operations in several states ship of this bank could be Mr. Robert Altman, the avoided.

#### Continued from Page 1

#### Local councils Carter warning refuse to pay tion, as alleged by the Soviet intervention. Union last week. Iran. he h water charges OPPOSITION by industry in the

More generally, he said that significant potential force for the "darker side of change" in stability and process in the the world—such as the Iranian region." But meanwhile the revolution—was to encourage U.S. was prepared to support its authority system of charging for intervention by outsiders. The allies to whatever extent it U.S. could not and would not deemed necessary including seek to determine what sort of more military supplies—a clear government the people in Iran reassurance to Saudi Arabia. chose for themselves.

to belp promote modernisation was "an accomplished fact and without causing internal con- will not be reversed." Some Conflicts. The revolution was caused by deep social economic and religions factors, the President argued, adding that those who means that Peking's peaceful maintained that the U.S. should assurance on the future of Taiintervene to thwart such events were wrong. He cited the Vietnam war as the ultimate example of the futility of U.S.

Iran, be hoped, could be "a

uose for themselves. Normalisation of relations
U.S. policy in Iran bad been with Peking Mr. Carter stated, gressional critics of closer ties with Peking are arguing that the weekend attack on Vietnam wan cannot be trusted and that Congress must take steps to protect both Taiwan and American "honour."

Continued from Page 1

# More jobless

was some 10,000 less than a year The bad weather bas also been reflected doubling over the past ago. reflected doubling over the past month to 41,700 of the number a fall of 3,270 in the unadjusted of workers temporarily stopped unemployment total to 1.45m, or but not included in the unem-6.1 per cent of the work force. ployment figures.

# Kissinger to advise **GEC**

BY MAX WILKINSON

DR. HENRY KISSINGER, the former U.S. Secretary of State, is to become a consultant to the General Electric Company, the UK's largest private sector employer. The company bopes Dr. Kissinger will be able to give

advice on its plans for a new phase of international expan-sion, particularly in the U.S. In December, 1977, GEC appointed Mr. Geoffrey Cross,

former managing director of International Computers Limited, to look for possible acquisitions in the U.S. Dr. Klasinger's role is, therefore, likely to lie in giving advice at a general political and economic level.

This is the first appointment that Dr. Kissingsr has accepted with a British company, although he has taken consultancies with several American concerns. Dr. Kissinger is a personal friend of Mr. Ronald Grierson.

the former banker who is a main Board director of GEC and closely involved in the company's U.S. strategy. The fee Dr. Kissinger will be paid has not been dis-

Men and Matters Page 18

# Murray rebukes Chapple

By Nick Garnett, Labour Staff MR. LEN MURRAY. TUC general secretary, severely rebuked one of Britain's leading trade unionists and a member of the TUC General

Conneil last night.

Mr. Murray said in a statement to the Press that Mr. Frank Chapple, general sec-retary of the Electrical and Plumbing Trades Union, had talked "daugerous nonsense" and made "uninformed and unbelpful comments" in newspaper interviews about the present public-service disputes.

censure of a union leader, Mr. Murray "deplored" what Mr. Chapple had said about the disputes "wblch, in all conscience, are already difficult enough to resolve with-out Mr. Chapple adding to the

Mr. Chapple was quoted in newspapers this week on the disputes and published a signed article in a Sunday newspaper.

In that article, which be defended, Mr. Chapple said that the tactics of some pickets were those of terrorists and argued that awarding groups of workers sizeable wage increases simply because they were very badly paid was a recipe for disaster.

Mr. Murray said in his statement: "He and I and the

rest of us bave for too long taken it for granted that the people who, for example, daily have to handle linen contaminated by excrement, vomit and blood will just go on working and keep silent. It is our fault if they have to shout fust to draw attention to their grievances.

"I know that Mr. Chapple is not an inhumane man. To compare the actions of these people with those of terrorists does credit neither to his humanity nor his common-

Ambulance men drop strike threat, Page 10

### Team named for Lloyd's inquiry

LLOYD'S OF LONDON bas completed the appointment of a seven-man working party to examine the investigatory and

disciplinary powers of the Lloyd's market. The members are Mr. Thomas Langton, a past deputy chairman of Lloyd's and a director of Devitt Langton and Dawnay Day, an associate company of the Dawnay Day Gronp bankers; Mr. Norman Frizzell, a Lloyd's insurance broker; Mr. A Bruce Gray, a past deputy chairman of Lloyd's and a director of Robert Bradford (Underwriting); Mr. Gordon Hotton, a marine underwriter at Lloyd's; Mr. David Watt, director of the Royal Institute of International Affairs and a former journalist; and Mr. Robin Broadley, a corporate finance director of Baring Brothers, merchant

#### THE LEX COLUMN

# Hot money comes back to gilts

Every now and then a flood of footloose international money surges into a likely looking domestic bond market. Before Christmas, money cas-caded (mainly from the UK) into Irish gilts. In January the juicy yields of 16 to 1B per cent available on Danisb government bonds were catching the eye of foreign investors to such an extent that the Danish authorities were forced early this month to impose a temporary han on overseas buying of these securities. Now the interna-tional hot monsy set is turning its attention to the UK Government bond market.

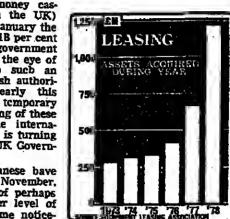
Although the Japanese bave been dabbling since November, buying to the tune of perhaps £150m, a much wider level of foreign inquiry became notice-able late last week, and signi-ficant purchases bave been evident in the past two days. On domestic factors alone, the gilt-edged market would bave been stopped in its tracks by the two new issues for £1.25bn announced last Friday. Instead, overseas buying bas upset the equilibrium, is threatening to panic some of the more liquid domestic institutions, and bas served to send prices up by the best part of two full points.

In these circumstances the Government's partly paid stocks inevitably encourage specula-tion. Both the new issues seem to be about 11 points adrift of the market's new level, so with In these circumstances a great many domestic punters, as well as foreigners, are likely to be the underlying rate of growth filling in their application forms today, assuming the market in 1978. bolds steady.
The EMS does not exist, yet

foreigners were nervous about same period. sterling there was no particular prices makes the stability of sterling entirely credible to foreigners, at least so long as money growth is restrained and the move to 14 per cent MLR was ample evidence of

The scale of inflows into giltedged should not be exaggerated at this stage, however. There is little sign of abnormal movements on the foreign exchange.

Index at 460.3 (same)



early 1977 when overseas investors perceived an opportunity to make significant currency gains as well as to participate in rising sterling prices for bonds. And it is easy for international investors to move in, but much more difficult for them to take their profits away with them from a domestic bond market. Where are those buyers of Irish gilts now?

Leasing boom

These are heady days for leasing companies. The latest figures from the Equipment Leasing Association show that only £15 per cent payable on their new business grew by application stags can calculate a potential profit of 10 per cent. Admittedly the figures are inflated by an increase in the

Add in outsiders, and the leas-The EMS does not exist, yet ing industry probably wrote its spirit is haunting the European capital markets. If there is a commitment to relatively figure of just a couple of years stable exchange rates it becomes ego. To put this £1.5bn in pervery difficult for governments spective, total sterling bank to operate radically different lending to the private sector policies on interest rates. When rose by only £3.9bn over the

To ba fair, the growth over appeal in a margin of 6 or 8 the past couple of years has the transport strike and bad points over yields on, say DM been distorted by a spectacular weather. But the impact on points over yields on, say, DM been distorted by a spectacular bonds. Now Britain's North Sea jump in new car leasing bustness from 16m to 1343m follow ing the relaxation of the control of hiring order in 1977. From now on, growth in car leasing is going to moderate, but even so industry sources suggest that the underlying rate of growth of new leasing could be of the order of 40 per cent in the

current year. The spectacular growth of is still generating a lot more leasing originally reflected the cash than it is spending on its fect that many companies were market. The opportunity is not paying virtually no mainstream yield a well-covered 71 per cent so attractive as in late 1976 and corporation tax, because of at 123p. corporation tax, because of at 123p.

hence could not take advantage of the generous capital allowances. By contrast, the banks, in particular, were making lots of profits but could not take of profits but could not take advantage of the capital allowances since they had very few major capital projects. By developing their leasing interests they could take advantage of the capital allowances and passon at least part of the benefits to the industrial customer.

However, as companies have started to pay more and more mainstream tax they have res-lised that they too can enjoy the benefits of a leasing com-pany, and reduce (or defer) their tax burden. Over the last few years a thriving sub-industry of lease brokers has sprung up to advise people and more and more companies have set up their own leasing operations, Horg Robinson, Marley and Ladbroke are just a few well-known

Against this background new car leasing seems a likely target for the Chancellor's next Budget as he seeks to claw back some of the £500m of tax deferred by the leasing industry last year.

#### Vantona

The impact of the Iranian upheaval is starting to show through in company profits statements. Ten months of the way through 1978, Vantons—me of Europe's leading household textile businesses—reported that its profits were up by 30 per cent. But profits for the full year are now shown to be less than a tenth higher at £7.5m, pre-tax, and the main explanation is that fees amounting to nearly £500,000 which were due under an Iranian know-how deal have not been received. No provision has been made against a contract to supply cloth to the Iranian army which could, in the worst circumstances, lose £200,000. To add to its troubles.

Vantona has lost the equivalent of about a month's deliveries since the year end as a result of production has been much less demand in the UK remains satisfactory. Profits of the uniform manufacturer. Compton Webb, will be consolidated for the first time this year. And Vantona can afford to contemplate a further extension of its manufacturing base, since its debt ratios are not high and it existing operations. The shares

#### Weather

EARLY drizzle and fog, becomng dry with bright intervals

London, S. and N. England. E. Anglia, Midlands
Patchy fog early and late.
Drizzle at first dry later. Max 4C (39F).

Wales, Lakes, I of Man, S. W. England Mainly dry with some bright ntervals. Max. 6C (43F).

S. E. and S. W. Scotland, Cent. Highlands Cloudy. Bright intervals later. Max. 1C (34F).

N. Scotland and Islands, Ulster Rain at times. Hill fog patches. Max 4C (39F). Outlook: Most parts will be dry but rain in Northern Scotland.

WORLDWIDE

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# Non-U.K. Residents

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